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Public Choice Theory and Its Implication: the Malaysian Scene

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KEYWORDS

The theory that got popularity in the early 1950s is still relevant to many societies across the world. The election just like any other social contract empowers politicians to change society, which they represent positively through lobbying for better services (McKay& University of Essex 1984). However, the exact opposite of this expectation remains the norm in many societies. Public choice theory is premised on the principles of public spending and taxation. Economists harness this theory in the evaluation of actions of the public officers,in terms of collective decision making in the market (Lovrich & Neiman 1984). Therefore, leaders, such as public social contractors are expected to serve in the best interest of the public as opposed to self-interest displayed by many political leaders and government civil servants.

One of the significant assumptions of the public choice theory is thatpeople, regardless of their socio-economic standing in society are preoccupied with self-interest, as opposed to the general goodwill of the public (Archbald 1988). For instance,an employee, employer, lobbyist, and consumers in Malaysia behave in a certain way, as a result of self-motivation,even if they cite other people's concern as responsible for such behaviors. Various instances of reduction in tax lobby in Malaysia are informed by the public choice theory.Whereas unscrupulous business person would monopolize the provision of other goods and services to satisfy his or her own selfish interest, a lobbyist would protest the act partially on behalf of others while satisfying his own affinity for recognition. Therefore, economists and scholars of political science in Malaysia construe public theory as a misplaced concept addressing the opposite concern of the theory (Michael1998).

The traditional notion that leaders lobby for the development is best explained by public theory. When elected representatives of the people prepare a larger budget in the pretense of addressing the public concern of development, then one clear indicator of public choice is manifested in its entirety. The result of a huge budget is that in most cases, it realizes massive borrowing both within and without the country's border. In this case, one wonders as to what public interest such irrational decision by the public servants does to the general public. In reaffirming the exact opposite nature of the public choice theory, the politician, and their cronies in Malaysia stand to gain at the disguise of the public burden of national debt. For instance, they would facilitate screwed tender awards that go to them and their business associates (James 1999).

A citizen who has a high affinity for spending would take advantage of the low taxation cost of the majority whose purchasing power is low,to make more expenditure occasioned by low taxation. There are popular discussions and arguments regarding various issues of public interests like the tax. Consumer organizations and human rights activists in general regularly challenge the government to ensure that the prices of basic commodities are kept relatively low to reach the general poor masses (Richard 2001).

From sociological perspective, one would appreciate the public choice theory. However, from the economic perspective, it would be a well orchestrated antic by unscrupulous persons, with malicious intent, out to get goods cheaply, and horde them only to release them later when their prices are skewed. Therefore, no single person can claim to have the interest of the general public at heart (Michael1998).

The implication of the public choice theory is devastating in many countries, including Malaysia. The theory of public choice if construed literally has more potentials than underpinnings. However, it has been identified that ignorance remains one of the ingredients that have contributed to the failure of public choice theory. During elections, voters are presumed to be offering public choice, in such important decisions. However, the true position is always the otherwise expectation that is associated with the exercise. This gap is attributed to the voter ignorance on political matters (Richard 2001).

A voter in Malaysia may aspire for a prudent government that is sensitive to its people. However, not one single vote changes the dynamic of the entire electoral process, and the ultimate winner of such coveted seats. Due to ignorance of the electoral matters, the worthwhile of following and being concerned with the outcome of the noble course remains alien to the voter. It would be of the public choice to eradicate "bad" leaders that advance their interest in Malaysia through the election. However, ignorance on the part of the voter may greatly influence the tedious process of weeding out such, since the one responsible lack what the whole process requires (Jomo 1995).

Corruption normally implicates any kind of government negatively. However, any nation is vulnerable to this vice perpetuated by the political class and the government. The high levelof corruption witnessed in Malaysia is attributed to the bureaucratic dealings, which leaders and public servants in the country advance in the course of their duty. The egocentric leaders and the public servants driven by self-serving interest extort money from the unsuspecting public, when getting services, which ought to be free (Richard 2001).

When a public police officer fails to produce a criminal in court, due to the moneys that he or she has been given illegally by the criminal, then the vice has nothing to stop it or reduce it significantly (Black, Brady & Tullock 1996). All these are attributed to the corruption perpetuated by the very public leaders and workers serving the public. Legitimate businesses get closed down due to the tedious process of starting and running them, as a result of a high level of bureaucracy in the Malaysian government. This bad recipe for public choice, therefore, cause undesirable outcomes like unemployment among the many nationals that could have secured jobs either as proprietors or employees in such enterprises (Jomo 1995).

Rent seeking is another implication of the public choice. Private individuals and government normally have vested interests on the stakes of the market place. The Malaysian government provides services that are considered crucial, though very sensitive that private sectors cannot provide (Buchanan & Tollison 1984). Even though, one would argue that the gov-

ernment is acting in the best interest of the public, by providing the vital service, it has failed to create an environment that would allow members of the public to provide the same service (James 1999).

In addition, in the process of the provision of some of these crucial and vital services by the government, it is the minority public servants, leaders, and their business cronies that gain out of the same (Devine 2004). For instance, the government through its public servants and leaders would influence tendering process of materials that aid such services and these tenders would be awarded to a few with a view ofsatisfyingtheir self-interest (Michael1998).

In conclusion, the pubic choice theory is premised on the principles of taxation and public service. The founders of the term "public choice" theorythat got its way as an economic jargon in 1950s intended to unearth the truth revolving around the bureaucratic nature of many leaders and governments across the globe. The majority of political science scholars contend that the powerful jargon of economists, "public theory" is misconstrued by many people that want to advance self-serving interest at the expense of the public. As a result, of this confusion, some nations including Malaysia have realized unfavorable implication. For instance, bad governance crops in a country when a leadercurious to emancipate his own economic interestadvance his selfish gains to helping the public through various ways like taxation and among other avenues.

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