

BAIL-OUTS AND BUY-OUTS

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January 7, 2010

1. When the currencies of East Asia were being devalued in 1997-98 the International Monetary Fund and the World Bank offered to help with loans. However the offer was conditional.
2. The countries must open their economies to foreign capital including the buying up of their businesses by foreigners.
3. The effect of currency devaluation is to reduce the value of the countries' business in terms of foreign (US Dollar) currency. In addition the financial crisis would make the businesses less profitable or unprofitable so that their market value in local currency would be depressed.
4. For example if the local business is worth RM100 million in local currency, equivalent to US40 million at 2.5 Ringgit to the US Dollar, a devaluation to five Ringgit to the US Dollar would bring down the value of the business to US20 million.
5. If because of the crisis the value of the business in the local currency falls by 30 per cent i.e. to 70 million Ringgit, then the foreign buyer need to pay only 14 million in US currency.
6. Thus a business that was worth US40 million Dollars could be bought for only US14 million Dollars because of the effect of devaluing the currency by 50 per cent.
7. Obviously if foreign capital was allowed to buy local businesses at the time of the financial crisis, it would have acquired the local business very, very cheaply.
8. If after they had bought all the banks and businesses at these low prices, the devaluation of the currency is stopped, the value of the entities acquired by the foreigners would recover. They could then sell their acquisitions at a high price and make large profits.
9. We must not suspect that the IMF and the World Bank was collaborating with these foreign investors to rape the countries concerned. They are too honorable. But the fact remains that the condition that the domestic market must be open to foreign investors brought about the results stated above.
10. Malaysia decided not to borrow from the IMF and not to open its market. We decided to bailout our companies which were in distress.
11. Bailout means putting in money to revive the business but the ownership of the business remains with the original owner. That is what the US Government did when their banks were going bankrupt. The ownership of the banks and businesses bailed out by the US Government remained with the original owners.
12. But when foreign or local capital bought up the failed or distressed companies, they were not bailing out these companies. They were simply taking advantage of the financial problems of the companies to buy at fire-sale prices.
13. Frequently the amount the owners get for the sale of their businesses were not sufficient for payment of their debts even.

14. This is what is meant by a buyout. The owners were forced to part with their businesses at a loss. This is not a bailout.


15. It is important to understand the difference. Very frequently those who want to bad-mouth certain people would accuse them of being bailed out when they were in fact being forced to accept a buyout at fire-sale prices because of the distress caused by the devaluation of the currency.

16. The US Government bailed out the failed banks and businesses with trillions of dollars during the present crisis. Yet the United States and their media condemned the countries of East Asia for doing the same on a smaller scale. This is a blatant example of double standards and hypocrisy of monumental proportions.

67 Comments

By saifullah  on [February 4, 2010 5:23 PM](#)

what do you expect from the american government? they are a bunch of hypocrites. now that they are in the same situation as what we went through, they are doing exactly what we had done to avoid from being bought-up by foreigners. they even forbade outright the sales of certain companies to foreigners. only white elephant junks are permitted to be sold away. hmph...


By atila  on [January 26, 2010 9:57 AM](#)

Dear TunM


When do you think the NEW WORLD ORDER will implement the said to be de facto currency "Amero" into the North America Union (Canada, US and Mexico)?

Its pretty obvious now that NWO are working towards this.

Thank you.

By Charles E. Jannuzi  on [January 25, 2010 4:58 PM](#)


Dr. Mahathir was proved right about the financial meltdowns that unbalanced 'globalization' caused, and he was right in how to respond to the crisis. Perhaps Malaysians forgot that when he retired from political power and party leadership. Americans, Europeans and Japanese never heard anything about Malaysia's successes in dealing with the financial mess of 1990s. Japan is still trying to bail itself out from that second crisis, which came hard on the heels of its crisis in the late 80s-early 90s. Malaysians need to get back to a consensus on how to continue development in Malaysia despite all of the economic turmoil around the world, but this is mostly a political issue. And Asia needs to stop financing the bankrupt American empire. The latest twist in this is all that Asian money going through NYC and London in order to feed the east coast bubble of China. Asians can't even manage their own bubbles. They need to pay a bunch of parasitic middlemen in NYC and London to do it.

By Farhan  on [January 23, 2010 2:17 PM](#)

i think al the above comments are the majority..common people who dont know that a country runs as a company.

if all people aer like me , im sure malaysia wil be the world leader and all countries will suck up to us


but sad to say that all the comments above are majority *****

By Alan  on January 18, 2010 4:27 PM

I can never understand this. Malaysia has many resources like oil, manpower, educated population, timber, tin, and etc. Our Petronas has worked so hard and contributed trillions of ringgit. Yet our ringgit is so weak when compared to US\$, AUD\$ & even S\$. Don't forget that Singapore \$ was at parity with our Ringgit initially. And Singapore has no resources at all, with the exception of intelligent population. I wonder where we went wrong so badly. Or is there hanky panky in the Govt?


Two unacceptable reasons many wld say are 1) to protect our exports and 2) Singapore is a small island. But it has been so many years now but the spread is getting wider and wider still.

How can we verbally bash Singapore when we fail so badly?? Are they more intelligent than us? It seemed so as they do not talk religion and complained abt unfair foreign policies or derivatives and so forth but bite the bullet and move on. We tend to talk abt things tht do not matter much. Better to talk abt things tht move the country forward.

By mgpunya  on January 18, 2010 10:21 AM

YABhg Tun,

.....laissez - faire, my foot..!!!

By adik adik  on January 14, 2010 7:45 AM

Akuilah Kelemahan kita.

Tunggak pertama melangkah pada kejayaan cara kita sendiri, identiti kita sendiri.

My Way,My Style,My Progress.

Orang Melayu kurang Ilmu Economy,Ilmu Perniagaan,Ketententeraan Pembangunan, dan banyak lagi.

Sekarang Orang Kita masih ada Tanah,Suara di Politik, di Badan badan Kerajaan.Masih ada muka lagi.

Jika kita tak berupaya, Janganlah buka medan perang.

Seakan membunuh diri.

Semangat,Kata kata peransang tak berguna kalau tak berilmu ketenteraan, tak bersenjata lengkap.


Tak berilmu economy,tak berilmu niaga,janganlah buka pasaran luar, para pelabur akan menikmati hasilnya,kita akan kerugian.

Ruang Perkerjaan diberi keutamaan pada orang asing seperti Vietnam,China,Melayu Ketinggalan.

Kerajaan pun tak dapat cukai yg bolih memantapkan Negara.


Lebih pada subsidies dari cukai,sebab banyak anasir rahsuaah dri bawah hingga atas.

Kita perlu mendidik generasi kita keluar cari ilmu,
Ilmu inilah yg akan membentuk economy pada masa depan,
cara kita sendiri,olih kita sendiri,tanpa perlabur asing.
Masalah perlabur asing, adalah kerana sudah banyak tanah kita yg
tergadai,seperi Pembangunan IDR.
IDR merupai Penjajahan lebih dari Pembangunan,yg akhirnya kita Kerugian.Kerugian Tanah
sabagainya,Mereka bertambah Kaya,
Kita hanya cukup atau masih tak cukup,inilah yg saya maksudkan.

By nononsense  on January 14, 2010 12:47 AM

salam...

i like T,pak pandir,Ir Syarizan comments.They think they have the knowledge about all
things...bravo to them.

By mgpunya  on January 10, 2010 10:33 PM

YABhg Tun,

It would be very interesting how history will be written, say ...in 100 or 150 years....about all
this. It would be interesting too...to know what they write about this man called..Dr. Mahathir
Mohamad.

By Jamal  on January 10, 2010 1:42 AM

Dear Tun,

Bail-Out And Buy-Outs, when you bail someone out you are helping them, when you buy
someone out (at their loss) you are killing them!!!

If The Honourable Minister of Finance and the Chief of Bank Negara are reading this...PLEASE
consider this carefully. Its from one ALLAH fearing MUSLIM to Another.

Please consider instructing all ISLAMIC BANKS and THOSE that have Islamic windows to
OPEN a HALAL (Tanpa RIBA) unit.

Its function is to allow ALLAH fearing Muslims an avenue to practice their religion as
prescribed by the Al Quran and Sunnah.


All bank deposits shall not earn interest. Loans given are without interest as well. Deposits can
be used for investments and profits shared with capital owners (depositors).

Deposits can be used for investments as in Prof Muhammad Yunus's Social Business Model as
mentioned in his new book "Creating a World Without Poverty". In fact some of the deposits can
be used to support the Grameen (Social Business) Movement.


Banks be allowed to charge admin fee for administering zakat payments of the unused deposits
(as instructed by depositor) when the deposit qualifies for zakat.

Banks be allowed to charge admin fee for investing, project management, etc.

RIBA is HARAM - this warning is as clear as day. Ini Fardu khifayah...kalau Bank Negara and MOF done create the avenue...who shall bear the responsibility in the hereafter???

By jenkazama  on January 9, 2010 8:13 PM

Salam Tun, any suggestions or precautions to meet the German-type of depression which is just around the corner?

By S..Tan  on January 9, 2010 7:08 PM

Dear Tun, salam mesra harap sihat. Kiriman saya untuk seri tajuk ini dgn izin.....?

.....BAIL-OUT IN A BUY-OUT


Bail-outs occur in distress situations, buy-outs can occur even in good times as in management buy out.

Bail-out involves a generous saviour normally public funds (or a bigger corporate kin). Buy-outs can be a gain (cash out) or loss (fire sale).

The buy-outs in M'sia are the cash out type. In M'sia some buy outs have to succumb to fire sales (non cronies), while others get a to cash-out from a white knight (GLC). The white knight gets hold of a overpriced liability which he could have bought cheaper elsewhere.

Both have to part with their business, but one owner becomes a bankrupt, the other gets away unscathed, only his ego missing. M'sia makes a bail-out out of a buy -out!

It is important to see the difference. M'sia boleh?

By S..Tan  on January 9, 2010 1:10 AM

Dear Tun, salam mesra harap sihat sejahtera. Kiriman saya untuk sari tajuk ini dgn izin....

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By chicco  on January 8, 2010 11:51 PM

saya baca juga buku tu "Making Globalization Work"

By kamal ahmad  on January 8, 2010 9:33 PM

Salam kasih dan salam hormat Ayahanda Tun. Mohon sedikit ruang Tun. Terima kasih.


Thank you my dear owlz for the mention :) Bright blessings and Happy New Year 2010 to all. Thanks from all of us.

By antikmalaya  on January 8, 2010 5:41 PM

Tun yang dikasihi dan dihormati,

- 1) The 1997 crisis has taught the Western that WE can think far better than the them.
- 2) The crisis has taught the world that capitalism is not good for humankind because it resulted in injustice and financial cruelty.
- 3) Alan Greenspan was made wrong by you. He should be guilty by now for the rest of his life-time.
- 4) The next crisis is coming soon. 2010 is the year of reckoning. Are we ready for the next onslaught?
- 5) The solution to the current world economic problem is in Dinar & Dirham. You were too farsighted when you mentioned this in 1998. Until today, not many understand what Dinar and Dirham can do.
- 6) Omaythe not see what you have done, but I can't stop to say this.

YOU ARE A TRULY ISLAMIC WARRIOR! Allahuakbar! Allahuakbar! Allahuakbar!
Melayu itu hebat!

By fadzireen  on January 8, 2010 5:14 PM

Salam TUN,

Tun's wisdoms and sound measures implemented during the last financial crisis has benefitted Malaysia with its accelerated recovery.

However, in its infancy the Europeans has frowned on your decision.

Now, they have swallowed their pride by mimicking you.

The Europeans are very clever in inventing, they invented the world biggest economy from thin air. Subsequently, not knowingly also invented the 'mother of all bail outs' in recent time.

Read here [en.wikipedia.org/wiki/Bail_out_\(finance\)](http://en.wikipedia.org/wiki/Bail_out_(finance))

By hang nadim 2020  on January 8, 2010 12:49 PM

Dear Tun,

When Saddam Hussein was execution ed that was a combination of bail-out, buy-out and way-out. When we proposed to Volkswagen of Germany to buy Proton ,bail-out definitely but unsuccessful. Actually last year i dreamed that one of my son is working for an automobile

company by the name PROTON CHRYSLER, Malaysia. In this dream i went to visit him in America, after that dream i woke up and realize that probably Malaysians and a few Arab financing house have combined and bought Chrysler from the US government. What a wonderful dream but i don't think that will never become a reality since the government are thinking the other way.

Tun,

Why are we wasting so much opportunities during the recent crisis. There were so much chances for us to go forward in the highly competitive globalized world.

As my father always say and I quote,

"Kalau boleh kerajaan kita mahu rakyat Malaysia ni terus jadi macam katak bawah tempurung"

Tun,

How far is the truth from my father's quote ? tell me if it is not right that most Malaysian are not equip for the challenge far beyond their border. Even the Vietnamese are going forward so much faster than we did before. Most of our businessman are often bullied by the Singaporeans.

By [tha-b](#) on [January 8, 2010 12:30 PM](#)

Again, they all Masonic people. Try to destroy humankind.

Even, Steve Hutcheson (on January 8, 2010 7:59 AM) AND The Hidden Secret (on KONTROVERSI KEGUNAAAN KALIMAH "ALLAH" January 7, 2010 12:17 PM) also might be part of Masonic/Illuminati society.

By [syed](#) on [January 8, 2010 11:20 AM](#)

orang kampung: who said Singapore are not effected by the crisis? they even been hit harder than us. negative growth in 2009 and expected to be the same in 2010 if recovery process is as slow as expected. Their economy link significantly with world economy. They are ok right now because they have high reserve.

just my 2cents

By [Steve Hutcheson](#) on [January 8, 2010 7:59 AM](#)

I am presently reading Joe Stiglitz's latest book "Making Globalization Work". In it he argues that the "Washington Consensus" that was the underlying principle of the IMF during that period was in fact the cause of the continued poverty that exist in a great number of countries particularly in South America and Africa who followed those instructions. He goes on to make the point that the reason that much of Asia, in particular Malaysia has come out of the crisis so well over the last decade is that they didn't.

I think you have proved them wrong by doing so.


By [jong52yura](#) on [January 8, 2010 1:12 AM](#)

it is nature of capitalism that economy must have its up or down. the only way to reduce its impact when economy swinging is by asking everyone to stop making babies, reduce human population in responsible way.

the only reason why im saying this is because you try to imagine, we are all together in this boat which is all living on 1 earth only. the earth capacity that able to support human demand is limited.

USA can print more money to solve temporary problems, but eventually the real supply that earth able to give us will swayed & crashed with money value.

malaysia probably starts to lift all those subsidize, but let me tell you its not gonna solve the problem, GOVERNMENT GONNA MAKE MORE PEOPLE SUFFER. the better way for everyone is reasonable population with desirable buying powers.

By crazy diamond  on [January 7, 2010 11:05 PM](#)

Dear Pak Pandir08,

If Tun really implemented the same blatant policies for over 22 years as you curious, I would like to ask you on why he can so daring to speak-out about everybody misdeeds including his successor until present day, my common sense says that "berani kerana benar, takut kerana salah". I'm sure, you will find it difficult to prove his wrong@misdeed during his 22 years, you can only prove by just giving a doubt hearsay evidents.

By ujang_pilot  on [January 7, 2010 9:53 PM](#)

Y.Bhg Tun,

Bukan senang hendak memerintah negara....pemikiran yang kritis serta berpandangan jauh sahaja dapat mentadbir negara yang bertuah ini.

By sulaimansohor  on [January 7, 2010 9:47 PM](#)

Tun. Syabas.

1. Saya yang tak bijak tentang ekonomi ni pun boleh faham sekarang.
2. Tetapi kenapa orang-orang berkenaan tidak mahu faham?
3. Tentunya mereka mempunyai motif untuk diri sendiri.
4. Pemimpin di Malaysia, harus bijak.
5. Usah ikut ikutan sahaja.
6. Adakan pendirian sendiri. Kalau salah pun, kita tahu salah kita.

By Hajar  on [January 7, 2010 9:21 PM](#)

Dearest Tun,

1. Thanks so much Tun for explaining the main difference between BAIL-OUT and BUY-OUT. Crystal clear.

2. I believe Tun (I might be wrong) is trying to convey a message in point 15 about someone (close to Tun) who was accused of being BAILED OUT, when in fact that person was being forced to accept a BUY-OUT. I trust Tun on this matter.

3. I agree with point 16. “..double standards and hypocrisy of monumental proportions”.

Thanks again Tun for EDUCATING us.


*** May Allah SWT bless Tun & family ***

By Sahabat dari Chicago  on January 7, 2010 9:17 PM


Dear Tun:

the Bail-Outs and Buy-Outs are only applicable to those big corporations and businesses linked to the Government. But who will bail-outs or buy-outs those the street and Mom & Pop vendors?

Regards,


By cik Kiub  on January 7, 2010 9:02 PM

Salam Tun, maaf tapi saya rasa Najib pun lembik serupa dengan Abdullah. Klinik 1Malaysia adalah satu pembaziran. Maaf tapi tindakan dia hanya berjaya menawan hati pakcik makcik di kampung sahaja. kami golongan muda fikir dia patut menggunakan rm10 juta itu dengan cara yang lain yang lebih efektif. Najib harus sedar bahawa ini adalah zaman Internet. Jika dia terus menjadi pak turut, lembik..... maka habis lah BN dalam pilihan raya yang akan datang.

By sitinur  on January 7, 2010 7:51 PM

Asalamualaikum....

hanya Allah saja yg tau betapa saya terhutang budi di atas segala penat lelah yg bapak lakukan utk keamanan kemakmuran ketenangan kami rakyat m'sia yg saya rasa mcm tak berbaloi bapak lakukan pada rakyat m'sia yg masih tak sedo diri n tak tau di untung.berbanding la ni pemimpin yg hanya cuma tau beli jiwa habuk pn takder.....
doa saya semuga Allah menolong melindungi memudahkan perjalanan bapak dunia akhirat dari hasad dengki khianat org manusia jin n iblis hendakNya..amin..amin....

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By orang kampung  on January 7, 2010 7:40 PM


Salam Tun yang di hormati.

1. Semasa krisis kewangan 1997-98, banyak negara ASEAN terkena bahang termasuk Malaysia.
2. Berbagai cara di buat untuk mengatasi masalah ini. Kebanyakan meminta bantuan IMF. Malaysia menggunakan cara tersendiri. Singapura mungkin tidak kerana kekukuhan kewangannya.

3. Keseluruhannya, negara-negara ASEAN telah keluar dari krisis kewangan ini. Mungkin dari segi peringkat kejayaan yang berbeza. Terutama di lihat dari segi nilai matawang masing-masing.
4. Krisis kewangan melanda lagi. Ada yang minta bantuan IMF. Ada yang menggunakan cara seperti Malaysia laksanakan dahulu. Ada yang mengalami sedikit kesan kerana kekukuhan kewangan sendiri.
5. Kesan dari krisis kewangan 1997-98 dan 2008-09, ramai yang minta supaya di banyakkkan semula perdagangan berbentuk barang dan perkhidmatan. Disarankan juga aktiviti kewangan yang dikatakan tidak baik seperti perdagangan matawang di larang dengan alasan-alasan yang diberikan. Malaysia pula dengan mengamalkan nilai matawang tetap berbanding matawang Amerika Syarikat.
6. Jika di imbas semula, Singapura berjaya menangani krisis kewangan 1997-98 dan 2008-09.
7. Apakah kelebihanannya?
8. Adakah Singapura mempunyai perdagangan berbentuk barang dan perkhidmatan yang tinggi?
9. Adakah Singapura melarang aktiviti kewangan yang tidak baik seperti perdagangan matawang?
10. Adakah Singapura menetapkan nilai matawang dollar Singapura dengan dollar Amerika Syarikat?
11. Rasa nya tidak semua itu.

By NoorLindaE  on January 7, 2010 7:00 PM

Some people seems to forget that those companies that were bailed out has many workers who depended on the income/ livelihood from those companies, these detractors would want them to loose their jobs while they have theirs...cronies or not, think rationally before you passed judgement. Remember that 80% of the population in M'sia do not own a BMW's or have a double house...some don't even own a house. If we had taken IMF's package..Allahuallam...look what happened to Thailand. Many people commited suicide..naudzubillah...think of the same situation if it had been Msia.


By NoorLindaE  on January 7, 2010 6:59 PM

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By Mat Hero  on January 7, 2010 6:47 PM

Hi and Salam to you Tun..

1. The Western with Jews would always look an opportunity to downgrade people economic by taking any kind dirty action so that no one can beat their superior against any race.
2. You are right Tun on what you have do in 1997. But,for sure.They are planning to do the same thing or maybe the worst ones to us in the future.So, you should keep giving us your good advice on your past experience so that we will more aware on the future challenges.
3. Once again,thanks Tun on your brilliant suggestion.


By Nothing But Wind  on [January 7, 2010 4:55 PM](#)

Dear Tun Dr M ,

It is quite unfortunate that whenever there is any economic crisis around the globe it is the developing nations that get hit badly. This is due to the fact that not only their corporations are weak but also their country's coffers are also dried up.

It is also unfair on potential restrictions and sanctions to be imposed on the developing country if they too want to follow the footsteps of the developed nations to develop their country.

May I propose my humble suggestion that the whole world have only 1 single currency and its trading should be based on the necessity and not on speculation. It's value should be assessed and altered, if necessary, by the United Nations.

By ah_heng  on [January 7, 2010 4:51 PM](#)

Tun,

Part of your legacy which most of us appreciate is that you have prevented our economy to be controlled by foreigners.

But the question then was always who did you bailed out and why?

WONG


By promelayu  on [January 7, 2010 4:21 PM](#)

Salam Tun


Setuju dengan apa yang dikata oleh boonkwee berkaitan dengan suratkhbar cina..laporan mereka selalu bias..dan tidak tepat..

Bail out or Buy out? Bunyi agak sama..tapi maknanya sungguh berbeza.
US tidak akan mengakui kesilapan mereka..tapi sering menuding jari apa yang dilakukan oleh negara lain..itupun kita masih lagi nak berkiblatkan mereka..tak sedar2 lagi..

Tun telah lakukan yang terbaik untuk menyelamatkan Malaysia pada 1997..

By zul81  on [January 7, 2010 3:57 PM](#)

Someone claim in his Facebook that he is The Future Prime Minister Of Malaysia.
Everybody knows who is him....
larocheguy has give the answer.

By Afandi  on [January 7, 2010 3:54 PM](#)

Dear Tun,

1. That was before and in the past, when we have good reserve. When we have money, we can do bail-out to save companies that later will turn back into profitability and contribute to taxes.
2. Now, are we able to do the same thing if those crisis comes around? Do we have enough money this time around?
3. Desperate people and desperate country does stupid things coz they got no options.
4. Even local banks will become desperate if they are asked to buy junk bonds all the time.
5. Looking at all the things that is happening around us.. it shows that the country is running out of money (toll hike and etc). If we ran out of sufficient money what option do we have in time of crisis?.
6. When a country is just running on opex, they barely grow. When capex is monopolised by only certain few people, the money does not circulated thus stunning the growth. When there is no growth there will be less taxes.

7. So what do we do?

By laroheguy  on January 7, 2010 2:57 PM

Even I don't really like you but I admit your smarter and sharp thinking compare to racist DAP and Anwar the Liar...now I don't believe in political party but I will support individual regardless from which party.

Of course you are not perfect but you are much better than other leader in Racist DAP and "Crazy to be PM" party.

Keep giving you view...you can see thing from other way that non of us can see....

Be cool...only you can teach liar Anwar and racist party DAP to behave well...and snail UmNO...

Tun, I don't like you but I admire the knowledge that u have and dedication that you put to make Malaysia prosper

By NoorLindaE  on January 7, 2010 2:54 PM

U SAVED us that time Tun, but some people just doesn't see that and just condemn for the sake of condemning, becoz u don't play by their rule. Ur logical diagnostic approach to saving the local economy is what they (US) are doing now...sama macam meludah ke langit terkena ke muka sendiri..WE STILL NEED UR DIAGNOSTIC ADVICE...please don't stop giving it to us...no matter what they say!!

By Ir. Syahrizan  on January 7, 2010 2:31 PM

Dear Tun,


Excellent article on the Bail-Outs and Buy-Outs.

Nice and smooth "article integration" with your "1998 Financial Policy" as well. Any fan boys and pak-turut would simply fall in love with your articles.


But, did you even consider things before the "1998 South East Asia Financial crisis" and things after the crisis?

Indeed, you saved Malaysia from outside predators such as IMF and the World Bank.

How about other predators lurking inside the country? Umnoputeras? Kronies? APs? Protonmilos?

By NoorLindaE  on [January 7, 2010 1:53 PM](#)

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By Idea  on [January 7, 2010 1:51 PM](#)


Good insight!

The comment posted by 'T' is somewhat below par. This type of comments can often be seen at Raja Petra's blog. If there is criticism, I would suggest it to be constructive.

By Budi kita  on [January 7, 2010 1:50 PM](#)


Dear Tun

You were wrong before the subprime case, that all because nobody can see it and one of the persons who cannot see it was US president. He asked you to bite a bullet. Quite strange to ask a Doctor to do that. In actual case you can see something what US president had never dream. The lesson is when you became the president of a big nation it does mean that you are clever so be careful when dishing out advice.

By kulupali  on [January 7, 2010 1:42 PM](#)

Tun;

Thanks goodness Tun didn't take IMF offer a decade ago, so we didn't end up like our brother(Indonesia) as their economy still further behind us and got lot of debts until today. tks

By amin tan  on [January 7, 2010 1:16 PM](#)

Dear Tun,

Bravo! I totally agree with you and your explanation. Those who agree with IMF are either ignorant, stupid or foreign agent. These people are not fit to run our country. Congratulations Tun!

amin tan

By FAUDZI  on [January 7, 2010 1:00 PM](#)

salam sejahtera TUN

Saya berpendapat ini adalah sebahagian daripada strategi yahudi dalam menakluki ekonomi dunia. Krisis kewangan sekarang ini seolah olah dirancang oleh US dan Yahudi untuk wipe out segala pelaburan terutama pelaburan arab kedalam pasaran di US dan europe. Yang mana akhirnya wang Tok Arab akan habis begitu sahaja.

Justeru itu sudah tiba masanya para tok arab mencari ruang yang leih banyak untuk melabur dinegara negara yang tidak terlampau terdedah kepada bahaya. Tempat yang paling selamat adalah Malaysia kita.

wassalam.

By [Rimba Emas](#) on [January 7, 2010 12:36 PM](#)


SALAM BUAT TUN BERDUA MOGA DIRAHMATI ALLAH S.W.T.

- 1) SISTEM YANG DI GUNA PAKAI BERASASKAN RIBA (BUNGA) AMATLAH BURUK DAN ALLAH S.W.T MENGHARAMKANNYA.DARI SUDUT LAIN DENGAN TIDAK MEMINJAM MELALUI IMF BUKANKAH KITA SEBENARNYA MENGELAK HUTANG DAN MEMBAYAR LEBIH.
- 2) TETAPI TIDAK TERFIKIRKAH!? KITA GUNAKANNYA HANYA BILA BERLAKUNYA KRISIS SEBALIKNYA UNTUK AMALAN HARIAN SELEPAS ITU KITA TERUSKAN SISTEM RIBA INI SEBAB IA SATU CARA MUDAH WANG YANG BER.. (DOUBLE STANDARDS IAITU ISTILAH SEBENAR TIDAK DIBUAT PERIBAHASA) KEUNTUNGAN BERGANDA.KITA HANYA MEMAKAI HUKUM ALLAH S.W.T HANYA BILA BERLAKUNYA MALA PETAKA SAHAJA.
- 3) UNTUK MENGHINDARI MALAPETAKA ITU KITA BOLEH PULA MELAKSANAKAN UNDANG-UNDANG TEGAS TIADA LAGI (PELABURAN ASING) TAKUT ADA YANG AKAN MENGAMBIL KESEMPATAN MEMBELI INTITUSI YANG BERMASAALAH INI SEBAB CARANYA LEBIH KEPADA (BUYOUT).
- 4) SATU IKTIBAR KEPADA MEREKA YANG TIDAK BERPEGANG TEGUH KEPADA HUKUM YANG TELAH DITETAPKAN OLEH ALLAH S.W.T DIDALAM AL-QURAN BAHAWA, MEREKA AKAN MENEMPUH SEGALA BALA UJIAN INI JIKA CUBA MERUBAH KADAR YANG TELAH DITETAPKAN.
- 5) HARGA BARANG AKAN SENTIASA DI UBAH OLEH MANUSIA KERANA NAFSUNYA, APA AKAN BERLAKU JIKA KADAR OLEH ALLAH S.W.T JUGA DI UBAH OLEH MANUSIA, MAKA AKAN BERLAKUNYA PERGANDAAN.
- 6) OLEH ITU KEWANGAN ISLAM SEBENARNYA IALAH KADAR YANG TELAH TERTULIS DALAM AL-QURAN.CONTOHNYA PERUBAHAN KADAR 25 DALAM AL-QURAN JIKA DI UBAH KAPADA 30 ADALAH SAMA SEPERTI BUNGA YANG DIHARAMKAN.
- 7) SISTEM KONVISIONAL DAN ISLAMIK YANG LARI DARI AL-QURAN AKAN SENTIASA MENIMBULKAN MALAPETAKA KERANA IA SATU SISTEM YANG BOLEH DIUBAH YANG MERUPAKAN SATU CIRI RANGKAIAN NAFSU MANUSIA.

8) BAYANGKANLAH JIKA SISTEM YANG DICIPTAKAN OLEH ALLAH S.W.T INI BERUBAH DAN DIUBAHKAN OLEH MANUSIA, PASTI AKAN ADA KESAN YANG BERLAKU SAMAADA DARI SEGI BENTUK FIZIKAL YANG NAMPAK DIMATA, MANAKALA ASPEK KEROHANIAN PULA HANYA ALLAH S.W.T SAHAJA YANG LEBIH MAHA MENGETAHUI.

9) MAKSUDNYA BILA BERLAKUNYA SESUATU BENCANA MALA PETAKA SEPERTI KERUNTUHAN EKONOMI ADALAH DISEBABKAN PELANGGARAN KEATAS HUKUM-HUKUM YANG TIDAK BOLEH DIUBAH TERUTAMANYA PERKARA-PERKARA YANG DIPASTIKAN DAPAT MENYELESAIKAN SESUATU MASAALAH DI DUNIA INI.

WALLAHU'ALAM

By adik adik  on January 7, 2010 12:32 PM

Going to IMF or World Bank during a crisis is like going to AhLong. You will not solve you will create more problems.

They are not helping hands,they will pull and drain you.

World needs to hold hands.To strive for development to better life.

Yet on the other hand We cannot rely on them.

They go crazy we go crazy.

We can do it our own way,our own identity,our own progress.

We have the resources and means.

Their means is dried out due to speedy industrialization and rapid development.Now they are implementing many means to benefits them, like Globalization,buy and sell imaginary shares,military etc.

They have the means of going about this schemes, which will make them rich out of our resources.

I strongly believes we can be independent out of our own resources,

like Tun handles our currencies during the Crisis.It moves within us,likewise development of our own ways we move within us.

I am not saying we are closing doors,it is more of focusing our own resources within us.More of self sufficient rather than relying on others.We have our means.

The facts is When They Go Crazy,We go crazy.

By bangsaMSIA  on January 7, 2010 12:26 PM

Salam Tun.

1. I thank ALLAHswt that you were there to see us through, to see the country through during the AFC 97/98 and similar crisis in the past. Had it been left to others such as AI the Butthole and his evil shallow-minded cahoots, the country and its people would not have survived the economic calamity...ALLAHU'AKBAR..i.e. the Muslim Allah..

2. So we battled our battered economy and bailed out, as opposed to buyouts, many of our homegrown companies...we obviously and truly did the right thing, its the most logical and natural thing to do...is like raising our own children and tending to them when they are ill, whats wrong with that?. Years after the AFC, IMF acknowledged that U ACTUALLY DID THE

RIGHT THING. Had u been an American or European or a non-Malay in short you would have been awarded the Nobel Prize...tapi u Melayu and a Muslim too...simply unbelievable isn't it? Then again, why bother what the IMF has to say anyway? After all it is one and only the International Mother F*****! of the world. The US did the same and much more shamelessly in a crisis of epic proportions started by them, on their soil by their own people...and had the world to pay for it..there simply isn't any financial justice, is there..it does not exist in world driven purely and entirely by human greed which thrives and feeds mercilessly on crisis and the miseries of whole nations..

3. I recalled that you proposed a new financial architecture for Malaysia and the world at large..the use of the gold dinar in place of the USD as well as other excellent ideas.. yet, till today, nobody in the country or anywhere else in the world actually listened or have taken up any of your ideas. This means that we are in for more financial crisis, worst off then the current crisis, in the near future simply because we have failed to learn and profit from similar crisis in the past which reminds me of an old maxim that goes,"Those who fail to learn from the past is doomed to repeat it" or something like that..

3. The concern that is foremost in my mind is that...fine, although the world is too dumb to take up your ideas but in Malaysia too? And with our battery of economic, financial etc experts of all sorts, the county appears to be totally, continuously and consistently helpless in the wake of any economic / financial onslaught/turmoil started elsewhere in the world. Its like facing some natural disasters like some earthquakes or tsunamis etc. But unlike natural disasters, some of which are not really 'natural' in the true sense of the word, economic/financial disasters are MAN-MADE and surely the right and relevant data are aplenty for us to analyse and take the necessary precautions to avoid or lessen the impact..therefore the necessity for bailouts and / or buyouts

4. We, in Malaysia, need to revisit some of your ideas. A new economic and financial infrastructure must be put in place in the country to ensure that we remain insured and insulated from crisis perpetrated by men of greed or economic terrorists so to speak. Unfortunately, I dont see it happening since you left office last or in the so-called NEM to be announced next month by Najib. Sorry to say that those who took over from where you left off last we either timid and weak in thoughts and actions or all that plus surrounded by controversies... I therefore conclude that the NEM will contain nothing concrete nor constructive in terms of an economic bulwark or some built-in economic / financial early-warning mechanisms necessary to shield the country from the systemic effects of the next round of crisis. At best, it will merely be another exercise in public relations for the government of the day to survive the next general election

5. So where do we go from here? Not to sound so pessimistic but rhetorically speaking, nowhere literally. Probably more of the same ... Its truly unfortunate that we in Malaysia appear to leave very little, if any at all, to the future generation - our children, grandchildren and so on...they will probably end up if not on the streets, as slaves to the new economic masters from far and near, from within and outside lurking nearby awaiting the right time to strike deep and wide to fulfil their endless greed. God..oops..ALLAHswt forbids.

bangsaMSIA Inc.


By [boonkwee](#)  on [January 7, 2010 12:13 PM](#)

Dear Tun,

Salam Sejahtera.

I propose some of your articles in your website should translate into chinese language because I noticed when it was translated by chinese papers, it seems to be not accurate and biased and journalist always put in their own point of view/opinion and many times they try to disgrace Tun. This is important when Tun comments on local politics. Don't forget that there are many Malaysian Chinese outthere are not good in either Bahasa Malaysia or English and they are easily influnce and carry away by the Chinese Papers.

Semoga Tun sihat selalu.

By rayho  on January 7, 2010 12:07 PM


When one find oneself in a dire state the helper (bank) dictates his terms. It happens everyday in small or big situations. Those were the IMF terms then because they had to protect their interest too.

Malaysia was not that bankrupt then & you rightly chose a different path. But unperceptibly the nation's loss of value still happens & today it is MYR3.50 to US\$1 and MYR2.40 = S\$1.

By Benderbuzz  on January 7, 2010 12:02 PM


Salam Tun.

Anyhow ...firing Anwar Ibrahim was the right move. If not, most of our strategic would belongs to the foreigners and we became slaves once more.


By nazrimalik  on January 7, 2010 11:49 AM

Some comments like they know better than Tun. So pathetic!

nm

By Malaysian  on January 7, 2010 11:44 AM

I guess it's a bit different when one bails out one's cronies and children eh? :) And also the US was heavily criticised in the media about their interference with the free market...but i guess that happens only when your country has a free media, isn't it?

By hapacrita  on January 7, 2010 11:30 AM


Bangga ada pemimpin yang bijak macam Tun.Tahniah.

Ya,orang boleh kata macam-macam.Saya pernah terpengaruh dengan mereka yang mengecam Tun.Kini,saya cuba bertindak Neutral.Tidak terikat dengan mana-mana ideologi politik.Saya cuma berfikir mengikut 'kebenaran' di sebalik permainan dunia dan tidak hanya melihat senario di Malaysia semata-mata dan Tun buat saya benar-benar kagum dengan prestasi Tun.

Benar,sebagai manusia Tun juga mungkin ada melakukan salah silap.Tidak semua manusia itu betul setiap masa.Kerja memajukan negara bukan boleh dilakukan dengan sekelip mata.Apatah lagi di Malaysia yang berbilang kaum.Ia tidak semudah menguruskan negara yang hanya terdiri dari satu kaum.Untuk itu,saya merasakan,Tun telah melakukan kerja Tun dengan baik.

Sekali lagi,saya rasa,Malaysia masih memerlukan pemikir macam Tun.

Salam.

By fariz  on January 7, 2010 11:18 AM

Dear Tun,

Referring to T's statement,


"I don't think there is hypocrisy. The US was crucified and condemned by their own press for the bail outs. Except you choose not to notice."

Please read the statement carefully 'T' especially this sentence that you did not include as part of your statement, "Yet the United States and their media condemned the countries of East Asia for doing the same on a smaller scale." Now that is hypocrisy except that you chose not to notice!

Take care, Tun!

Regards,

Pandora

By kuuleem  on January 7, 2010 11:13 AM

A little off topic to take the monotony of trading, i found this somewhere.

If anyone have difficulty understanding the current world financial situation, the following should help....

Once upon a time in a village in India(no offense), a man announced to the villagers that he would buy monkeys for \$10. The villagers seeing there were many monkeys around, went out to the forest and started catching them.

The man bought thousands at \$10, but, as the supply started to diminish, the villagers stopped their efforts. The man further announced that he would now buy at \$20. This renewed the efforts of the villagers and they started catching monkeys again.


Soon the supply diminished even further and people started going back to their farms. The offer rate increased to \$25 and the supply of monkeys became so little that it was an effort to even see a monkey, let alone catch it!

The man now announced that he would buy monkeys at \$50! However, since he had to go to the city on some business, his assistant would now act as buyer, on his behalf.

In the absence of the man, the assistant told the villagers: 'Look at all these monkeys in the big cage that the man has collected. I will sell them to you at \$35 and when he returns from the city, you can sell them back to him for \$50.'


The villagers squeezed together their savings and bought all the monkeys. Then they never saw the man or his assistant again, only monkeys everywhere!

Welcome to WALL STREET

By pakpandir08  on [January 7, 2010 10:46 AM](#)

no doubt this is a blatant example of double standards and hypocrisy of monumental proportions by USA ...

however, did Tun practice the same on some policies for the past 22 years? curious ...

By Razor  on [January 7, 2010 10:09 AM](#)

Yes US government bailed out the failed banks and businesses. This is so called 'Riding-the-horse-with-shining-armor-to-save-the-princess-in-pinch' action. This is really hypocrisy unless you are American that you can say US Government is savior (well, not all American support US Government democracy).

It's like you buy a cake from a the shop that will be close down (everyone like cake, right?). You eat it then you throw away nothing to the owner of the shop as the owner cannot sell the cake with any profit as they sell the cake cheaper then the cost for making one cake.


Thanks goodness Tun didn't take IMF offer a decade ago, so we didn't end up like Indonesia as their economy still further behind us and got lot of debts until today.

So, are we thanks enough to GOD as we can live peacefully and our economy not so bad that we can go shopping anything we want and our wallet is smiling and say 'Go, use your money as you want'. (^_^)

By Gravity  on [January 7, 2010 10:09 AM](#)

YABhg Tun'

There was a hypocracy ! The US has just play 'trunt' and never want to admit. They are good in this. The evil behind this - all of us knows who ? and Tun's writing here is all enough and self explained. Shrewd capitalist never want to accept the fact of the tragic and hardship that they had put on the developing nations like us. But lets not forgetting George Soros and DSAI (US puppet)! They play a role too !

By AMiN  on [January 7, 2010 9:54 AM](#)

Dear Tun,


1. Western country will not care about others.
2. What are they really care only about themselves.
3. All peoples except them are wrong.
4. They fair in everything while others not.
5. We are not democratic enough until we agree with them.
6. Can we call them too as "western ultra kiasu" ?...

By rashid  on [January 7, 2010 9:53 AM](#)

Dear Tun,

this is one of the reason why the rich nations keep getting richer while poor nations are left behind.

New form of colonialism.

By owlz  on January 7, 2010 9:51 AM

Assalamualaikum, Hye and Shalom....

Jews are facing increasing blame for the financial crisis, according to anti-Semitic incitement surveyed by the Anti-Defamation League. Several internet sites charge that Jews control the government and finance as part of a "Jew World Order" and are to blame for the economic turmoil. Financial is a really-really core element in order to establish the Greater Israel. The group's Center on Extremism noted that neo-Nazi and white supremacist websites also have spread hate messages. "We know from modern history that whenever there is a downturn in the global economy, there will be an upturn in the level of

anti-Semitism and bigotry. That is what we are seeing now," said ADL national director Abe Foxman. Zionism is an international political movement that originally supported the reestablishment of a homeland for the Jewish People in Palestine (Hebrew: Eretz Yisra'el, "the Land of Israel"), and continues primarily as support for the modern state of Israel. Zionism is partly based upon strong historical ties and religious traditions linking the Jewish people to the Land of Israel, where the concept of Jewish nationhood first evolved somewhere between 1200 BC and the late Second Temple era (i.e. up to 70 AD).


The political movement was formally established by the Austro-Hungarian journalist Theodor Herzl in the late 19th century. One of the protocols of Zionism is regarding the money-money-money!!!! Long live Israel?????!!! No, let the Malaysian live first. Previously, Salah ad-Din Yusuf ibn Ayyub known in the Western world as Saladin who became the Sultan of Egypt and Syria led Islamic opposition to the Franks and other European Crusaders in the Levant (c. 1138 — March 4, 1193). Now its time for the Jews to hit the world back. Now its their period... Let see if we die or not. God bless us.

p/s: Salam and Hye to Ir_Engkuli, rahim, nizamnazar, HBT, fareast, MalayJesyJames, Redhuan D. Oon, hamzah radzi, Isac Bumiyang, irasyd, onlooker, samuraimelayu, Bajiz, pakbelalang, Teik Chun, col tom, wajaperak, kamal ahmad, Ir. Syahrizan and others...

- God Bless Malaysia -

From:


Mohammad Shafiq, ex-University of Malaya, Faculty of Engineering (Electrical).

By NMNT  on January 7, 2010 9:27 AM

Dear Tun,

This is what the American's called "democracy" and when they have grab enough they say "terima cracy".

And because of that we more so now then ever need the IMF (INI MANA FAIR) policy to help revive the economies mentioned above.

By T  on January 7, 2010 9:14 AM

/// 16. The US Government bailed out the failed banks and businesses with trillions of dollars during the present crisis. Yet the United States and their media condemned the countries of East Asia for doing the same on a smaller scale. This is a blatant example of double standards and hypocrisy of monumental proportions. ///

I don't think there is hypocrisy. The US was crucified and condemned by their own press for the bail outs. Except you choose not to notice.

Source : <http://chedet.co.cc/chedetblog/2010/01/bail-outs-and-buy-outs.html>