

Sarawak's Cowgate: Deputy minister faces flak
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Keruah Usit

THE ANTIDOTE Sarawak PKR chief Baru Bian says International Trade and Industry Deputy Minister Jacob Dungau Sagan, a vocal defender of Sarawak Chief Minister Abdul Taib Mahmud, should resign immediately.

"If he has any shred of honour left in him, in the light of alarming allegations of corruption, Sagan should resign," Bian added.

The news website Sarawak Report yesterday published details of Sagan's (left) wife Winnie Jolly, his brother Peter Usang Sagan and his sister-in-law Roseline Andrew Gayu, as the beneficiaries of RM63.4 million worth of public contracts given out in Sarawak over the past five-and-a-half years.

Half of these contracts were issued by the Public Works Department, the Rural Development Ministry and the Orang Asli (Native) Development Department for rural water supply, and half for road construction in Betong and Bario.

It could not be immediately established whether Dema Tega, the company directed by the deputy minister's three family members, had enjoyed the luxury of directly negotiating the contracts.

Sarawak Report alleged that the three beneficiaries were merely Sagan's proxies, asking rhetorically: "Do we think that Dema Tega is likely to have been the very best value-for-money firm that was selected out of a tough and open competition to take on this project, or do we think that Dema Tega will merely sub-contract the work and take a fat commission in the process?"

Sagan, a former agriculture officer in the civil service, is a Kenyah native MP for Baram.

His constituency is a sprawling district, a treasure trove of fabulous natural resources - and also the badly underdeveloped home to some of the poorest people, most dangerous roads, and worst schools in Malaysia.

Licence to fell iron wood

These Dema Tega revelations were published three days after a damaging Sarawak Report article on Feb 25, alleging Sagan and his immediate family had been given two timber concessions, covering some 15sq-km, in Baram.

The website published company records showing the two fortunate timber licence recipients: Milisha Holdings Sdn Bhd (60 percent owned by the Baram MP and 40 percent by his wife Winnie) and Winjac Sdn Bhd (jointly owned by his wife and their 29-year-old daughter Sharon Leraine).

These licences include the unconventional approval to fell 'belian' or iron wood, an endangered and prized tropical hardwood.

Belian was traditionally used to build the hardest and grandest longhouses in Sarawak but due to excessive logging and scarcity, exports of belian wood are now officially banned, with rare exceptions.

Timber licences are issued directly from the desk of the chief minister and have been long used by successive state BN leaders to buy loyalty and silence opponents.

A recipient of a single concession can easily become a multi-millionaire overnight by subcontracting the

felling to a logging outfit.

The Sarawak Report appears to have received inside information about Dema Tega through a reader's comment on the iron wood story made under the username 'Money Laundering 101'.

The website has received numerous tip-offs from members of the public. Political observers speculate that some of these whistleblowers may include disgruntled civil servants or even BN politicians.

Sagan's BN component party, SPDP, has recently suffered a public split with five elected representatives leaving the party following the ejection of its vice president Sylvester Entri last November.

Tensions remain high and leaking out delicate financial information may be a useful weapon in internal BN squabbles.

Shocking revelations of corruption

"These revelations provide the answers to those of us who have been wondering why Sagan has been such an eager supporter and defender of Taib," said Baru Bian, state assemblyperson for Ba'Kelalan.

Sagan has publicly praised the proposed Baram Dam, a mega-project that has drawn international condemnation.

The hydroelectric project, in a state with an enormous existing surplus of electricity, is slated to drive 20,000 natives from their homes and flood 26 villages, including the Baram MP's own birthplace, Long Anap.

Baru Bian said the allegations of corruption have made it "crystal clear why Sagan has to throw his support (behind) the construction of the dreaded Baram dam... saving the homes and livelihood of these villagers is low on his priority list".

Accepting the belian concessions had caused an "obviously insurmountable conflict of interest", he argued.

Sagan did not respond to Malaysiakini's request for comments.

Baru told the press that PKR demands that the MACC "investigate this shocking abuse of power and breach of trust by a federal deputy minister".

"Recognising, as the government does that the giving of a bribe is also a crime, the MACC should also investigate the source of the giving of these very licences to Sagan, a serving MP," he said.

But investigative journalist Clare Rewcastle Brown (right), founder of Sarawak Report and sister-in-law of former British prime minister Gordon Brown, is cautiously pessimistic.

She seems to doubt Malaysian Prime Minister Najib Abdul Razak will allow the MACC to take action against his cabinet member.

"After all, given the record of so many of BN's politicians, it is probably fair to conclude that Jacob Sagan is merely a fitting representative for his government," Sarawak Report said sardonically.

All the same, the embarrassment caused by this scandal involving an internationally visible deputy minister is unlikely to mend the fraught relationship between Najib and Taib, with national election looming.

