

'Impulsive MAS move casts doubt on Najib's reforms'

MalaysiaKini.com

March 17, 2012

DAP said Prime Minister Najib Abdul Razak's "impulsive" decision to endorse a share-swap between MAS and AirAsia and its impending U-turn inspires little confidence in his ability to make substantive reforms.

DAP national publicity chief Tony Pua in a statement today pointed out that the swap has not reversed MAS' fortunes after it suffered RM1.28 billion in losses for the final quarter of last year and RM2.52 billion in losses for the entire financial year.

"The staggering losses according to the BN critics proved the failure of the restructuring and rescue exercise and the pressure was applied on the Prime Minister to unwind the swap deal," he said.

Pua (right), who is also PJ Utara MP, added that reports that the premier is now mulling to reverse the share swap decision also does not inspire confidence among foreign investors.

Under the share-swap deal September last year, Khazanah Nasional Bhd, the major shareholder of MAS took up a 10 percent stake in AirAsia while Tune Air Sdn Bhd, the investment vehicle of AirAsia took a 20.5 percent stake in MAS.

'PM driven by impulse'

The fact, Pua said, is that MAS' downward spiral cannot be arrested unless the rot from the previous management is addressed, pointing out that RM1.09 billion of the RM1.28 billion lost incurred in the fourth quarter was from stock obsolescence and freighters impairment.

"Najib's contemplation of changing course less than eight months into the deal is akin to doe-eyed Premier League football club owners who hire and fire managers at will following a string of bad runs, as if the new managers will always be able to perform miracles with the same set of players and set up."

Pua said the sudden share-swap and the contemplation now to reverse it epitomises Najib's impulse-driven decision-making.

"Such hare-brained impulsiveness has characterised Najib's administration with multiple U-turns in his policies, including but not limited to the much-hyped eradication of racial quotas in the New Economic Model, the reversal of the 'Malaysian First' definition and the promise of open tenders," he said.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd

Source: <http://www.malaysiakini.com/news/192330>

