

Dr M: MAS can go 'very wrong' with privatisation
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The privatisation of Malaysia Airlines (MAS) might not make a difference and could cause the national carrier to continue bleeding money, former prime minister Dr Mahathir Mohamad said today.

In his latest blog posting, Mahathir questioned if the exercise to de-list MAS was a 'privatisation' or 'nationalisation', as Khazanah Nasional Berhad, the body that will fully take over MAS, is a government-controlled company with its chiefs reporting to Prime Minister Najib Abdul Razak.

"I may be wrong but I think Khazanah's 100 percent ownership of MAS will not be much different from its 70 percent ownership. We are going to see a lot of new people who will receive huge salaries, allowances and bonuses and not much else. That I believe is how Khazanah operates," Mahathir said.

He also appeared to take a dig at Najib by saying that a leader must admit failures and take responsibility by resigning from his position.

"People in glass houses should not throw stones. Right. I had such a bad record as prime minister. But I was ready to resign. And I did. I did because I failed. But no one wants to follow my example," he said.

Mahathir expressed concern that with no minority shareholders to offer criticism if MAS is fully owned by Khazanah, the privatisation exercise can go "very wrong".

He argued that since Khazanah already owned 70 percent of MAS shares prior to privatisation, it was already in control of the company, and as such, there is no reason to believe that a full ownership would make any difference.

"In true privatisation, fear of losing money on the part of a private owner would force him to scrutinise the management and check the balance sheets frequently. The government as the owner would be less concerned. The government is about spending money," he said.