

Mahathir pans PM's debt-ridden brainchild

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The ailing state-owned investment arm 1Malaysia Development Bhd (1MDB) is probably the only thing that can put Dr Mahathir Mohamad and the opposition on the same page.

Both the former prime minister and Pakatan Rakyat agree that the debt-ridden brainchild of Prime Minister Najib Abdul Razak is a burden to the nation.

While opposition MPs continued to rip 1MDB apart in Parliament this morning, Mahathir too panned the entity a few kilometres away, at a function in Kuala Lumpur.

Speaking to reporters at the sidelines of the event, Mahathir said 1MDB should serve as a fund for the nation's wealth but what transpired is on the contrary, with it having increased the country's debt.

"1MDB was touted as the nation's wealth but it is not. This money we have borrowed. When we borrow, we have to pay back. This is not wealth.

"If we suffer losses, there will be more problems and costs," he added.

According to Mahathir, Malaysia can do without 1MDB, saying, "Saya fikir itu (1MDB) tak ada pun, tak apa (I think even if we don't have 1MDB, it is okay)."

In September, Mahathir had expressed concern over the debt being amassed by 1MDB, warning that it could have an adverse impact on the government's already strained finances.

He questioned why Malaysia needed a state investment fund such as the 1MDB, saying these were usually formed by countries with a surfeit of wealth and revenue, rather than one with a massive debt.

"Funds for 1MDB are not from the country's surpluses. These are debts. Billions of ringgit owed will add to the country's very high debts. Debts that the country must pay.

"If not, we will become bankrupt, like Argentina. A country with a yearly deficit cannot possibly pay debts as high as this," Mahathir penned in his blog.

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