

## **Mahathir rues 1MDB not raised at Umno meet**

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Prime Minister Najib Razak had set tongues wagging when he unexpectedly backtracked on his promise to repeal the Sedition Act at last week's Umno general assembly.

Chief among them was that the right-wing in the party linked to former premier Dr Mahathir Mohamad had used the debt-ridden 1Malaysia Development Bhd (1MDB) as leverage to force Najib to back down on the law which he had vowed to repeal two years ago.

But in his latest blog post, the former premier continued to needle Najib's troubled brainchild, 1MDB, which the opposition had described as the "mother of all scandals".

While congratulating Najib for "listening to the people" over the Sedition Act, Mahathir expressed disappointment that there was no discussion on the controversy surrounding government-owned investment fund 1MDB at the Umno annual assembly.

"I am disappointed that many of the public's grouses and complaints failed to influence Umno and the government's stand," he said. There was no response to the allegations regarding 1MDB.

"The question is not the increase in electricity charges because of the purchase of a power plant but that the price it was acquired for was too high and paid with borrowed money where the interest is the highest imposed on the government and the 11 percent commission for Goldman Sachs.

"(And) why were (1MDB) investments made in Cayman Islands or money kept there?" he asked.

Mahathir said Cayman Islands is a centre for hedge-fund operations and currency trading.

He added that while people and companies are fond of investing in hedge funds because of the high returns, governments should not venture into this as it is a form of gambling.

"In the past, the Malaysian government was often invited to invest in hedge funds with a guaranteed return of 30 percent. But this was turned down.

"It must be remembered that one of the largest hedge funds - Long Term Credit Management (LTCM) - incurred massive losses and dragged banks and investors towards bankruptcy. It was saved by investors from Wall Street and the US government.

"Gambling is not a means for the government to source funds directly or indirectly," he

added.

1MDB has sparked criticisms for, among others, parking RM7.18 billion of its money in tax haven Cayman Islands.

#### Rich-poor gap in education

Apart from 1MDB, Mahathir was also dismayed that the education system - another issue which he raised before the Umno general assembly - was not addressed at the party meet.

"The wealthy attend English schools, acquire important knowledge and secure employment with ease.

"The poor go to national schools, lack proficiency in the English language and are left behind in the subjects of Science and Mathematics. They find it difficult to get jobs with high salaries," he said.

Due to this, the former premier lamented that the gap between the rich and poor would widen.

"True. Making passing exams easy is popular and liked by all. But what is liked is not necessarily good for them.

"It is most unfortunate if popularity takes precedence over the fate of children who are forced to accept a policy which is not good for them. They become the victims, (but) not the children of the rich," he added.

Mahathir was also upset that the Umno meet witnessed no change to the government's intention to ink the Trans Pacific Partnership Agreement (TPPA).

Despite an exemption for Malaysia on policies to uplift the bumiputera in TPPA, he nevertheless considered the pact as "dangerous".

"The agreement is more focused on sanctions against China and meddling in the economic affairs of nations," he added.

According to Mahathir, there were numerous other issues which were not discussed at the Umno assembly.

"In a democracy, to be liked by the people is important, but the future of the race's children should not be pawned because of this."

