

Mahathir: Leave me out of BMF scandal

MalaysiaKini.com

May 6, 2015

By Radzi Razak

Dr Mahathir Mohamad today said that he had nothing to do with the billion-ringgit Bumiputra Malaysia Finance Limited (BMF) scandal which exploded just as he took over the reins of the country.

Taking a jibe at Prime Minister Najib Razak, he said he was never the "adviser" to the BMF unlike Najib who is adviser to the beleaguered 1Malaysia Development Bhd (1MDB).

"But I don't steal money. The missing money belongs to the bank. I am not the bank's manager. I am not the adviser to the bank," he said when asked on former senator Tunku Abdul Aziz Tunku Ibrahim's (right) article in New Straits Times on Monday.

Mahathir said the late 80s was a stormy time for the Malaysian economy.

"At that time there were so many banks which lost money. Am I to be blamed for all?" he asked.

Tunku Abdul Aziz, who is a Malaysian Anti-Corruption Commission (MACC) board member, had written that the Mahathir administration did not heed recommendations by then auditor-general Noordin Ahmad's recommendations for criminal proceedings against those involved in the BMF scandal.

He also wrote that the "climate of openness" introduced by the present Najib administration would serve public interest better than the Mahathir administration.

"We will, in our current climate of openness, get a lot faster to the bottom of 1MDB's shortcomings - if indeed there are problems - than we got out of the investigations into financial and other excesses during the lost ethical years when Mahathir was prime minister," wrote Tunku Abdul Aziz.

Tip of the iceberg

In his article, Tunku Abdul Aziz described that BMF was a subsidiary of the successful Bank Bumiputra Malaysia Bhd (BBMB), which in turn had US\$15 billion (RM54 billion) in assets in 1988.

BMF then loaned US\$1 billion to two Hong Kong-based companies Plessey Investment Limited and Carrian Investment Limited, which did not repay the loan.

Noordin subsequently launched an investigation in Malaysia, but no one was prosecuted. One Malaysian auditor - Jalil Ibrahim - was murdered while conducting investigations in Hong Kong.

Hong Kong authorities on the other hand initiated criminal action resulting in the then-chairperson of BMF Lorrain Osman, Carrian Group chairperson George Tan and BBMB executive director Mohamed Hashim Shamsuddin being implicated in the collapse and given jail sentences in Hong Kong.

Tunku Abdul Aziz's article had described Lorrain as a "fall guy" in the BMF scandal.

According to a report by The Sun in 2008, following an interview with Lorrain, Noordin's report had stated that what was uncovered on the BMF scandal was merely the "tip of the iceberg".

The Sun's report also stated that Noordin was ostracised by the Mahathir administration for his findings, where he was even accused of colluding with the opposition.

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