

**Forbes: Najib may now find it hard to survive**  
**MalaysiaKini.com**  
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Najib Abdul Razak will either be weakened or face problems surviving as prime minister following the latest scandal of US\$700 million from the 1MDB funds transferred into his personal bank account, says US business journal Forbes.

"If it is proven the funds did indeed go into an account bearing his name, it is difficult to see how Najib can survive.

"But even if it isn't proven, the allegations have come at a very difficult time for Malaysia's leader," freelance journalist Chris Wright wrote in the latest comment piece in Forbes yesterday.

Najib is facing the greatest challenge of his leadership – and even the risk of criminal charges, Wright said.

The state sovereign fund racked up to RM41.8 billion in debt and attracted inquiries from four different institutions, from the auditor-general to the police, and with The Wall Street Journal (WSJ) latest report alleging huge funds went into Najib's bank account, he noted.

And Malaysia's elder statesman, Dr Mahathir Mohamad, who led the country for 22 years and was something of a mentor to Najib, has turned against him, he said.

Umno, which faces internal turmoil, no longer has an automatic right to expect to win every election, said Wright, who also penned No More Worlds to Conquer.

"(I) wonder whether Najib is the right person to lead it in this newly competitive political environment," he said.

"The attorney-general of Malaysia, Abdul Gani Patail, confirmed that he had received documents linking Najib to the investment fund, and is reported to feel there is the potential for them to lead to criminal charges if they turn out to be accurate," Wright wrote.

He then went on to note that Najib himself has referred to the allegations as political sabotage, and has blamed Mahathir for orchestrating them.

"Malaysia is a place where reputation matters enormously and where bad press sticks," said Wright, who writes on banking and finance in Asia.

"Even if the attorney-general does not feel the evidence is strong enough to prosecute, there is a very strong sense that Najib has been weakened, regardless."

## **WSJ stands by its reports on 1MDB**

Meanwhile, The Wall Street Journal, in an opinion piece, also published yesterday, said it stands by its reports on 1MDB's US\$700 million money trail, saying these were based on solid and reliable documents.

This response on the part of the US daily comes after Najib's warning of possible lawsuits for the continued "political sabotage" against him.

WSJ in the opinion piece said the size of the alleged funds that were diverted was shocking, but the abuse of public entities for private gain "is politics as usual in Malaysia".

The scandal is a case study on the effects of one-party rule by the Umno on the country's institutions, WSJ said.

"This is a familiar story. A government investment scheme is launched with grandiose promises of moving up the value chain and other economic jargon. Then the asset stripping begins.

"If the project goes reasonably well, the ruling party has an accomplishment to point to, with the high costs conveniently forgotten.

"If it fails, public money bails it out in some form, with the state-owned oil monopoly Petronas the ultimate backstop," said WSJ.

As the country's middle class has grown, awareness has spread of the true cost of the system and the ruling coalition's electoral machine has begun to falter, it said.

"If the allegations against Najib prove true, Mahathir and others are right to call for his resignation.

"But incompetence and greed won't be rooted out until Malaysia's democracy matures into a true multiparty system."

In yet another report in WSJ yesterday, journalist James Hookway wrote that political pressure is intensifying against Najib after a government investigation that, for the first time, directly connected the prime minister with the probe into the troubled state investment fund.

As 2014 drew to a close, Hookway wrote, Najib had shaken off some of the impact of two air disasters involving Malaysia Airlines, and the country's economy was picking up speed.

The softening support for Najib could hamper his attempts to further modernise the economy and improve relations with the US.

The underlying uncertainty accelerated the ringgit currency's decline, hitting a 10-year low

against the dollar on Friday, the writer noted.

"The question now is whether 1MDB can raise enough money to pay off its debts," he questioned.

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