

Najib's defence of 1MDB, unspinned

MalaysiaKini.com

Aug 26, 2015

Yoursay

YOURSAY 'You are not creating economic value; you are just flipping land assets.'

PM: Even Qataris see value in 1MDB

Negarawan: As more countries launch investigations into alleged fraudulent and money-laundering activities involving 1MDB, and as more illegal assets are frozen, which investors in their right minds would want to have anything to do with 1MDB?

PM Najib Razak is trying to mislead poorly-informed Malaysians and portray himself as a 'saviour' when the exact opposite is true. Qatar has not put a cent into 1MDB yet.

Any Qatari investment or loan would most likely be used to settle 1MDB debts, just as the US\$1 billion 'investment' from IPIC (International Petroleum Investment Company) in June 2015 to settle debts but with an expected transfer of assets from 1MDB to IPIC by June 2016 together with cash repayment (with interest) on an outstanding US\$3.5 billion debt.

1MDB is playing musical chairs with its debts but for how long more can it sustain this game, and which assets will be used to settle the debts?

Magnus: The TRX (Tun Razak Exchange) land was publicly-owned land to start with, so if Arabs are interested in buying it, why did the government not sell or develop that freehold land themselves more cheaply rather than setting up shambolic loss-making operations like 1MDB to 'borrow' cash from investors at high interest rates then use the borrowed cash of circa US\$11 billion to buy dud/suspect assets and 'units' of indeterminate/dubious valuation in suspect investment funds located overseas via an unnecessarily complex, layered and convoluted web of secretive tax haven shell companies and bank accounts traversing the world?

Does that sound like a kosher business operation run by a competent government authority as a sovereign wealth creation entity or more like the criminal set-ups operated by the likes of the mafia, drug cartels, terrorists and kleptocrats?

Hplooi: This is classic disinformation. Of course, TRX has intrinsic value and would be of interest to anyone with cash, especially when 1MDB is desperate to off-load its assets to generate cash.

The issue is (and this is specifically for Umno diehards to pay attention) that such assets (energy, land, etc) have been 'gifted' to 1MDB who subsequently used such assets to obtain loans; and based apparently on usurious rates (note Islamic laws on usury).

Now if your family jewels are given to a family member who then pawns the said jewels,

you would want to know what happen to the money. And if 1MDB cannot service the loan repayment (remember usurious rates?) then we may have to 'gadai' (pawn) the family jewels at low rates.

SusahKes: You are not creating economic value; you are just flipping land assets. What kind of value creation is that, especially for a government to be involved in?

A government's job is to create policies that allow for stimulation of the economy. And this in turn creates jobs for its people. 1MDB just sells land. Any Tom, Dick or Harry can undertake that.

And you make it sound like as though it is a grand achievement to have the Qatari government indicate an interest.

But Malaysia is well-known as the land of MOUs (memorandum of understanding); eventually the supposed projects never take off, or at best, we are left with white elephants.

The Qatari government may see 'value'; but your own rakyat don't because 1MDB, until this day, could not provide the most basic of response to the questions we have posed. We only see - from yourself and the 1MDB team - efforts to silence such questions.

Speaking Sense: Indeed, these are public land sold at giveaway prices by the government to 1MDB so of course they would be interested because it is our money that is being used to subsidise these projects.

But what about all the other assets bought by 1MDB at inflated prices from private companies, both Malaysian and foreign? Don't waste time flogging a dead horse with all this nonsense about 1MDB.

Rupert16: Yes, Najib is trying to spin again. Nobody says 1MDB has no value. What we are indeed saying is that you have been using 1MDB as a vehicle to fleece the country through overpayment and giving prime land to the company on the cheap.

Moreover, the over-priced assets are not generating enough money to pay off the interests.

Dingy: In 2009, 1MDB invested US\$1 billion in a JV (joint venture) with PetroSaudi International (PSI), which pledged assets worth US\$1.5 billion. However, it was later found PSI didn't own those assets and it contributed zero cash to the JV.

In 2012 Najib again went into business with Aabar to develop TRX land. Goodman Sachs was engaged to raise bond worth US\$3 billion. Again Aabar contributed zero cash. What happened to US\$3 billion?

In 2013 sometime before GE13, RM2.6 billion was found deposited into Najib's AmPrivate Bank account. After GE, RM2 billion was allegedly transferred out into a Falcon Bank account in Singapore. On the same that day, his AmPrivate Bank account was closed.

Subsequently, the Falcon Bank account where the money was deposited was frozen by Monetary Authority Singapore.

What about Aabar injecting US\$1 billion this year into 1MDB to settle its loan due to international banks? What about the agreement for Aabar to help settle the 1MDB debt in return for undisclosed assets?

Now Najib is about to enter another deal with Qatar. This would be the third deal with the Arabs.

Anonymous_1421806811: The PM seems to be missing the point. For the sake of 1MDB which had incurred debts of RM42 billion, we sincerely hope it will be successful.

The problem Malaysians have is the dubious excuses given by him and his ministers in justifying the RM2.6 billion deposited into his personal account.

For a PM who had said before the GE13 campaign that all donations for the party should not go into individual's account; his action is very hypocritical, to say the least.

Do we want a PM who says one thing and does another? Among other many problems is of RM42 million deposited directly into his bank account from Ihsan Perdana (late last year and early this year), which has no bearing on GE13.

Perhaps Najib could give us an explanation for this deposit so that we won't get sore ears listening to the garbage of excuses churned out by his sympathisers.

Bluemountains: It will save Najib's team the trouble of having to come out with a new explanation everyday regarding the RM2.6 billion if only he will allow a forensic investigation into the alleged scandal.

Since Najib has said that he has not done anything against the law, he must not hesitate to allow the forensic investigation to begin. It will help to clear Najib's name once and for all.

Hang Babeuf: Even (some) Qataris see benefit and value in hudud punishments. So what? Qataris see value in getting a bargain at somebody else's expense. At taking advantage of other people's stupidity and greed. At picking up gems in the wreckage of other people's foolish mistakes.

What does any of this prove? In what way does it vindicate Najib's and Umno's judgement? The PM is arguing like a lame-brain. We deserve better.

RM2.6billion Duit Haram: Najib, we don't care how much Qataris are interested in 1MDB. We just want you to tell us your source of RM2.6 billion and show us how you spent it?

Don't try to legalise what is illegal by inventing terms like 'political fund' or 'trustee fund' or other stupid terms you have come up with.

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