

Rafizi: National assets pawned to save 1MDB
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Malaysia may soon find itself beholden to foreign interests as the government continues to bend over backwards to solve sovereign fund 1MDB's debt conundrum, says PKR vice-president Rafizi Ramli.

"Today's agreement has confirmed my earlier fears that 1MDB's financial troubles will drag the nation into selling off crucial national assets to pay off the sovereign fund's massive debts," he said in a statement.

He was referring to the recently announced sale of a 60 percent stake in 1MDB-owned Bandar Malaysia to a consortium made up of Johor-based Iskandar Waterfront Holding Sdn Bhd and China Railway Engineering Corporation.

"If this happens, Malaysia will enter a new era of greater difficulty, as more and more national interests are linked to ownership by Chinese government firms, which will surely make it more difficult for the country (to deal with) regional issues like the overlapping claims over the Spratly Islands," he added.

1MDB, however, lauded the action as the finishing move in its rationalisation plan.

While Prime Minister Najib Abdul Razak has claimed that the move is one of the deals that will rescue the sovereign fund from its debt sinkhole, and asserted that this was in fulfillment to deal with the matter come year's end.

Rafizi also said he believes more and more national assets like the high-speed rail link to Singapore, as well as the MRT public transport projects, will soon fall into foreign hands, especially Chinese companies, citing recent sales of Edra Energy and Bandar Malaysia to companies from the People's Republic of China.

This, he alleged, is as the government scrambles to find more money to bail out the debt-ridden sovereign fund.

The PKR vice-president pointed out that the sale of Edra's electrical generation assets to the Chinese firm went against existing government policies on not allowing foreign ownership of power generation facilities.

1MDB was saddled with RM46 billion in debts after what many see as questionable business and investment decisions that has been the target of investigations by Bank Negara and the parliamentary Public Accounts Committee.

The issue caused a huge public backlash and much criticism against Najib - who chairs the fund's advisory board and has been reported to have approved all its management decisions, including from within his own party, Umno, itself.

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