

**Dr Mahathir's ex-aide : PM 'lied' about financial outlook**  
**Malaysiakini.com**  
**Nov 28, 2008**  
**S Pathmawathy**

Prime Minister Abdullah Ahmad Badawi has been accused of lying about the 2009 financial outlook for the country and Malaysians are warned to brace for the worst.

The accusation and warning came from blogger Mathias Chang, who was also a former political aide to Abdullah's predecessor Dr Mahathir Mohamad.

"Fellow citizens, don't listen to the Badawi regime's fairy tales. Prepare for the worst and the worst is yet to come..."

"We must tighten our belts, save for the stormy days that will surely come and not spend, spend as advocated by the Badawi regime's ministers," he stated, painting an alarming picture of what he expected to happen next year.

In his blog postings, Chang repeatedly warned of a bleak year in the face of a "global financial tsunami".

**Prove me wrong, and win RM5k**

Recently, he challenged Barisan Nasional leaders and Bank Negara officials to counter his views on the economic meltdown and offered a RM5,000 cash reward each for those who could prove him wrong.

matthias chang "Let's put some money in our mouths. In the past, I have challenged those who disagreed with me, that if they can prove me wrong, I would gladly pay them a RM5,000 cash reward. There were no takers. None could prove me wrong!" said the lawyer.

According to his predictions, by the second half of next year, the nation's automobile industries will incur massive losses and shipping companies will also suffer losses as shipping rates drop drastically.

"Credit card debts will soar, credit limits will be drastically reduced (worse than the 1998 economic crisis) and interest rates will increase sharply. It is already happening!" he added.

Moreover, Chang stated that he expects the property market to "burst notwithstanding all the stimulus and pump-priming".

"By the second half of next year, our exporters will be in tears, when Letters of Credit (L/C) will not be honoured and inventory stacks up at ports and in factory premises. Chinese exporters are already stipulating what L/C from which global banks will only be accepted," he said.

Chang also predicted that the Kuala Lumpur Composite Index (KLCI) will drop below 700 points by the first half of next year. The KLCI finished at 863.46 points at noon today.

"Malaysia will have a huge immigration problem when these hard-working people are thrown out of work and have to compete with the swelling ranks of Malaysian unemployed.

"You can call the above observations - rubbish, pessimism, gloom and doom... but that won't change reality," he added.

Copyright © 1999-2007 Mkini Dotcom Sdn. Bhd.  
Source : <http://www.malysiakini.com/news/93951>