

Mahathir squandered RM100 bil, says new book
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Malaysia has squandered an estimated RM100 billion on financial scandals under the 22-year rule of Dr Mahathir Mohamad, according to a new book about the former prime minister.

According to Barry Wain, author of the soon-to-be launched 'Malaysian Maverick: Mahathir Mohamad in Turbulent Times', direct financial losses amounted to about RM50 billion.

This doubled once the invisible costs, such as unrecorded write-offs, were taken into account. The RM100 billion total loss was equivalent to US\$40 billion at then prevailing exchange rates.

Barry, who is a former editor of the *Asian Wall Street Journal*, says most of the scams, which included a government attempt to manipulate the international tin price and gambling by Bank Negara on global currency markets, occurred in the 1980s.

'Malaysian Maverick' is the first independent, full-length study of Mahathir, who retired in 2003 after more than two decades as premier. The book will be published globally next week by Palgrave Macmillan.

Wain writes that the Mahathir administration, which took office in 1981 with the slogan, "clean, efficient, trustworthy", was almost immediately embroiled in financial scandals that "exploded with startling regularity".

By the early 1990s, he says, cynics remarked that it had been "a good decade for bad behaviour, or a bad decade for good behaviour".

Secret military deal with US

The book also reveals that:

- Mahathir, despite his nationalistic rants, signed a secret security agreement with the United States in 1984 that gave the Americans access to a jungle warfare training school in Johor and allowed them to set up a small-ship repair facility at Lumut and a plant in Kuala Lumpur to repair C-130 Hercules transport aircraft.
- Mahathir used a secret fund of his ruling Umno to turn the party into a vast conglomerate with investments that spanned almost the entire economy.
- Mahathir's Umno financed its new Putra World Trade Centre headquarters in Kuala Lumpur partly with taxpayers money, by forcing state-owned banks to write off at least RM140 million in interest on Umno loans.
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Wain, who is now a writer-in-residence at the Institute of Southeast Asian Studies in Singapore, however credits Mahathir with engineering the country's economic transformation, deepening industrialisation and expanding Malaysia's middle class.

But Mahathir had undermined state institutions, permitted the spread of corruption and failed to provide for Malaysia's future leadership, he says.