

Malaysians Mourn The 'Lost Decade Of Corruption'

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by Lim Guan Eng

Malaysians mourn the “the lost decade of corruption”, where RM 1,077 billion of illicit money had been illegally siphoned out of our country from 2000-9. According to the Washington-based financial watchdog Global Financial Integrity (GFI), in 2009 alone RM 150 billion (US\$47 billion) in illicit money was illegally siphoned out of Malaysia.

This RM 150 billion amount is in addition to the staggering loss of RM927 billion (US\$291 billion) over a period of nine years between 2000 and 2008. The GFI report has shocked us all, with results showing that Malaysia is now ranked one of the top 5 countries in the world in terms of highest illicit capital flight.

The latest GFI report, ‘Illicit Financial Flows from Developing Countries Over the Decade Ending 2009’, is penned by economists Sarah Freitas and Dev Kar, who is a former senior economist at the International Monetary Fund. According to the authors, the estimates are based on balance of payments, bilateral trade and external debt data reported by member countries to the IMF and the World Bank.

They stressed that these illicit outflows are basically “unrecorded capital leakages through... illicit transfers of the proceeds of bribery, theft, kickbacks and tax evasion.” In other words, it refers to corruption money or black money that is obtained illegally and worse, not even re-circulated into our economy.

This whopping and unaccountable loss of more than RM1 trillion as a result of corruption or black money will never be recovered. The fact that RM1 trillion worth of corruption was generated and subsequently siphoned out of our country makes the last 10 years the lost decade of corruption for Malaysia.

It is time that we get rid of the robber barons in this country. It is precisely projects like the Port Klang Free Trade Zone, the RM52 billion Bumi share scandal, the RM250 million NFC “cows and condos” fiasco, the half a billion ringgit “commission” for the purchase of two Scorpene submarines, and the multitude of government-linked projects that run into massive cost overruns with zero accountability, including the RM3.7 billion over-expenditure by government departments reported in the latest Auditor-General’s report, that contribute to Malaysia now becoming the king of black money.

No wonder Malaysia performed dismally in the latest 2011 Transparency International (TI) Corruption Perception Index(CPI), dropping 4 spots to No. 60 out of 183 countries this year from No. 56 out of 178 last year. Malaysia’s 2011 CPI dropped for the third year running, slipping to 4.3 this year, leaving it in 60th place out of 183 countries compared with 37th place when Tun Abdullah Ahmad Badawi took over as prime minister in 2003. TI Malaysia Deputy President Mohammad Ali even noted that Malaysia’s CPI has continued to decline as “elements of state” that facilitated ‘grand corruption’ were still prevalent.

The latest expose by GFI of RM 1,077 billion in black of corruption money illegally taken out of the countrys explain the extent of losses suffered by Malaysians. DAP regrets that the BN government has dismissed this reputable study carried out by an independent and prestigious body. Malaysians must unite to save this country from BN, clean up corruption and try to get back this RM 1,077 billion of illicit money.

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