

Dr M refutes Tajudin's claims

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SHARES'

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KUALA LUMPUR: Tun Dr Mahathir Mohamad yesterday denied he had instructed Tan Sri Tajudin Ramli to buy shares of Malaysia Airlines (MAS) from Bank Negara as alleged by the tycoon in court papers.

"I don't remember asking him... perhaps you should ask him how he came to the conclusion that I forced him to buy. I did not force him to buy," he said.

When told that Tajudin said he was told to do national service by taking over the MAS stake, Mahathir said he had never asked anyone to do national service, quipping that "during that time we did not have national service".

Mahathir was speaking to reporters after launching a book entitled *The Chinese Contribution to Malaysia*.

When asked what led to Tajudin's purchase of the MAS shares in 1994, he said: "(Then finance minister) Tun Daim Zainuddin told me somebody wanted to

buy MAS and since we were privatising everything at that time (I said) you pay the money, we take la. If you don't have money, we won't give (MAS).

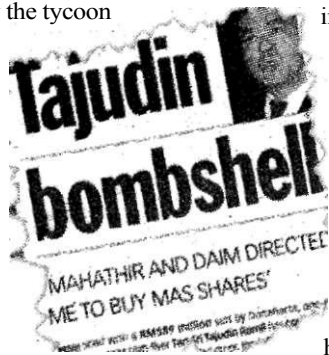
He added: "So there was this thing about an exchange of Celcom shares with MAS shares with no money involved. I said sorry, no; you want to buy, you pay the money and RM1.8 billion was paid for MAS".

"We liked to accept money ... we don't like to accept paper and all that."

Tajudin, who is embroiled in a RM13 billion suit and countersuit with the government, debt recovery agency Danaharta and many other parties and individuals, had in a court document filed

recently alleged that he was asked by Mahathir and Daim to buy a 32% stake in MAS from Bank Negara.

He alleged that Bank Negara needed to sell the stake, which he bought for RM1.8 billion, because it had suffered massive losses from currency trading. Tajudin said he was told to do it as a national service but with the understanding that he would



BNM's decision to go into currency trading: Mahathir

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be protected from future financial losses or liabilities.

To that, Mahathir said: "At that time, the government was not short of money. Yes, we lost some money from the central bank, but we knew what to do and how to recover it. We did not use his (Tajudin's) money. What is there? It was just one-point something billion and our reserves stood at more than RM50 billion even at that time. We didn't need that money"

On the statement made by former deputy premier Datuk Seri Anwar Ibrahim that Mahathir was the cause of Bank Negara losses as he had endorsed the currency trading, Mahathir said: "When there is a loss and somebody loses money, I am responsible but when they were making money, nobody says anything."

Mahathir alleged that it was then Bank Negara governor, the late Tan Sri Jaafar Hussein, who had suggested that the central bank go into currency trading and that it should set up a trading room in London.

"They invited me to see what they were doing (but) I didn't make the decisions... this was Bank Negara's decision. Tan Sri Nor Mohamad Yaakop (who was in Bank Negara then) was the person in-charge. I am not blaming him but he was in charge. This is the story and when he was making money (for Bank Negara), of course nobody complained."

Mahathir said things went wrong when Britain (in 1993) did not want to participate in the European Union and the pound sterling came under attack by speculators. As a result, Bank Negara, which had bought a lot of sterling, lost heavily.

"Of course, when you do trading, sometimes you make money, sometimes you lose money. When you make money, nobody complained, when you lose money, Dr Mahathir (becomes) a very bad man."

He said there was no way for Anwar not to know about it as he had also served as finance minister.