

The Wolfowitz connection

Anwar Ibrahim's hand in Shaha Riza's transfer

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KUALA LUMPUR: Paul Wolfowitz pulled many strings to set up his girlfriend, Shaha Riza, with a cushy job outside the World Bank, according to US press reports.

Was Datuk Seri Anwar Ibrahim, a long-time friend of the beleaguered bank president, one of them?

On Oct 1 last year, as chairman of the Foundation for the Future, Anwar wrote a letter to Robin Cleveland, Wolfowitz's counsellor at the World Bank, asking for Riza to be transferred from the State Department to the foundation.

That move raised her pay by 36 per cent from US\$133,000 (RM454,000) to US\$193,590.

Wolfowitz had arranged her transfer to avoid a potential conflict of interest since Riza

was a World Bank employee with whom he had a romantic relationship.

But last month, the World Bank began investigating allegations that Wolfowitz broke bank rules in handling Riza's promotion and huge pay hike.

Malaysia's former deputy prime minister was not mentioned in relation to Riza's transfer until the scandal broke, when media reports quoted his letter to Cleveland.

Anwar and Wolfowitz had a long-standing friendship that went back 20 years to when Wolfowitz was the US ambassador in Jakarta in the late 1980s, said Nik Nazmi Nik Ahmad, special assistant to Anwar.

Wolfowitz spoke out for Anwar when he was jailed in 1998. After his release in 2004, Anwar went to Germany to seek treatment for a back

problem and Wolfowitz, then the US deputy secretary of defence, flew over to visit him.

And in 2005, Anwar, a former finance minister, had supported Wolfowitz's appointment to the World Bank.

According to Nik Nazmi, Anwar believed Wolfowitz was capable of doing the job as he had a passion for eradicating poverty. Anwar was also appointed consultant to the World Bank in the areas of governance and accountability.

Anwar told Bloomberg this month that the onus was on Wolfowitz to explain the salary raise for Riza.

"He has to really explain and they have to see whether the increase in terms of remuneration was commensurate with the services," he said.

Nik Nazmi added that when Anwar wrote the letter, he followed the appropriate rules

and guidelines detailing Riza's transfer to the foundation:

"As far as he (Anwar) was aware, he went through the proper channels to ask for Riza's transfer to the foundation."

He did not confirm whether Wolfowitz had recommended Riza for the position and had asked Anwar to write the letter.

"The foundation board will issue a statement pertaining to Riza's transfer to the foundation as soon as possible," Nik Nazmi said.

The foundation was launched in December 2005 by US Secretary of State Condoleezza Rice and ministers from the Middle East and Europe, reportedly with a seed grant of US\$35 million, to promote democracy and reform in the Middle East and North Africa.

According to the *Washington Post*, the board has held only two meetings since then.