

'COME CLEAN ON GOLDMAN SACHS DEAL'

Dr M says country was shortchanged in US\$3.9b settlement with firm over role in 1MDB scandal

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TUN Dr Mahathir Mohamad said the country had been shortchanged in the US\$3.9 billion (RM16.77 billion) settlement it reached with Goldman Sachs Group over the firm's role in the 1Malaysia Development Bhd (1MDB) scandal.

The former prime minister also lamented the total lack of transparency in the deal reached with the investment banking group, including payments that were dished out to those who brokered the deal.

He said the people were entitled to know how public funds were being managed and utilised, but this did not seem to be happening.

"All the scenes again are not being presented openly... it is not transparent. The government is doing things in secret," he said yesterday.

Speaking to the *New Straits Times* at his Perdana Leadership Foundation office here, Dr Mahathir was asked to comment on calls for Goldman Sachs not to further stall its settlement deal with the government.

It was reported that Prime Minister Datuk Seri Anwar Ibrahim had demanded the United States' Wall Street investment bank to pay up, saying it shouldn't use its financial strength to dictate terms.

Former second finance minister Datuk Seri Johari Abdul Ghani had also weighed in on the issue, saying that Goldman Sachs seemed to be taking advantage of the poor negotiation by former prime minister Tan Sri Muhyiddin Yassin's government to delay payment of a substantial sum still owed to Putrajaya under a settlement agreement entered more than two years ago.

Johari said Goldman Sachs should repay in cash the remaining US\$1.4 billion of 1MDB losses without quibbling, and to do so



Tun Dr Mahathir Mohamad in an interview at his Perdana Leadership Foundation office in Putrajaya yesterday. The former prime minister has likened the Goldman Sachs deal to the 'secret' compensation paid to former attorney-general Tan Sri Mohamed Apandi Ali. PIC BY MOHD FADHLI HAMZAH

straight away.

Under the agreement between the bank and then administration under Muhyiddin, Malaysia was supposed to receive that sum in 1MDB assets by 2025 as part of the US\$3.9 billion settlement reached over losses incurred by the debt-laden state fund.

This had been described as a bad deal for the country, with officials saying the government should have demanded cash instead of assets.

Questions had since been raised on how Muhyiddin's government made the agreement and there were growing calls on the government to publish the terms of the settlement, which had so far been withheld allegedly due to a confidentiality provision that prohibited its release.

Weighing in on the issue, Dr Mahathir said he too felt the government had strong grounds to demand for much higher compensation.

"Yes I think we have been shortchanged. Well I'm afraid that the government at that time had agreed to the amount.

"Once you agree, of course it is very difficult to reverse or reconsider the amount."

On the secretive nature of the deal, Dr Mahathir said this was

not right and the people had the right to know what exactly had the government agreed to.

He likened the situation to the "secret" compensation that had been paid to former attorney-general Tan Sri Mohamed Apandi Ali.

On reports that the settlement involved huge chunks of money paid to lawyers and later channelled back to a certain political party guised as a "political donation", Dr Mahathir said: "Well, that is what people are talking about. But of course, we don't have documentary proof of what was paid to the lawyers as much as what was paid to Goldman Sachs."

Dr Mahathir said the onus was on the present administration to push for greater transparency instead of being selective in what was revealed.

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Page 1 pic: A flashback of a NST report on July 27, 2020, calling for the disclosure of the government's deal with Goldman Sachs.