

Najib: Tajuddin intervention 'off-site' solution, not settlement

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KUALA LUMPUR, Aug 12 — Datuk Seri Najib Razak defended his administration's intervention in Tan Sri Tajuddin Ramli's civil cases, saying today that the move should be seen as an "off-site" solution.

The prime minister said that Putrajaya's letter to all government-linked companies seeking for them to withdraw their suits against the former Malaysia Airlines (MAS) chairman should not be "misconstrued" as an out-of-court settlement.

"It can't be misconstrued as a settlement out of court... this is a discussion to find positive solution off- site," he told reporters today. He did not, however, elaborate on what he meant by the phrase.

Najib also stressed that the matter was not finalised and was still in the "process of discussion."

"We are aware of our position and we hope are hoping for positive outcome," the PM added.

Minister in the Prime Minister's Department Datuk Seri Nazri Aziz has insisted that the government's intervention in Tajuddin's cases could save the government billions in legal claims.

The letter to the GLCs, said Nazri, was not an order set in stone and did not outline any commitment on behalf of the companies stipulating that Tajuddin would walk away scot-free.

Nazri had told The Malaysian Insider yesterday that he had written to GLCs earlier this month seeking for them to withdraw their suits, worth at least RM2 billion, to buy time for all concerned parties to reach a "win-win" agreement and put an end to the prolonged financial saga involving Tajuddin.

The Padang Rengas MP had listed the three main parties involved in suits against Tajuddin — MAS, Telekom Malaysia and Prokhas Sdn Bhd — and said the government-linked entities can still choose to proceed with their suits if they felt they had a strong case against him.

Tajuddin was a protégé of Tun Daim Zainuddin, a close friend of former prime minister Tun Dr Mahathir Mohamad and an ex-finance minister who was the architect of the now-discredited policy of nurturing a class of Malay corporate captains on government largesse.

Individuals such as Tajuddin, Tan Sri Halim Saad and others flew high in the 1990s but their true mettle was tested during the Asian financial crisis. Nearly all of them fared poorly.

The Najib government's move to settle all outstanding claims against Tajuddin appears to be an attempt to wipe the slate clean in a financial saga that goes back decades to the height of Dr Mahathir's administration.

MAS had first lodged a police report against Tajuddin in 2002 for allegedly causing the flag

carrier to suffer losses in excess of RM8 billion. Tajuddin was the executive chairman of the airline from 1994 to 2001.

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