

**Dr M says had no choice but to bail out Tajudin Ramli's MAS**  
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**By Shannon Teoh**

KUALA LUMPUR, Feb 24 - Tun Dr Mahathir Mohamad admitted today his administration's 2001 bailout of Malaysia Airlines (MAS) resulted in a loss of public funds but was necessary to turn the national carrier around. "People don't lose money for nothing but the takeover was very urgent because we had to turn the company around," the former prime minister (right) said of the move to buy MAS back at more than twice the market value at a cost of RM1.8 billion.

The government took control of MAS after paying RM8 per share to Tajudin instead of the market value of RM3.68.

But he pointed out to reporters today that the government had lost taxpayers' money many times and accused the media of "being selective in focusing" on the MAS-Tajudin Ramli saga.

"The government lost money when it cancelled the double tracking and electrification between Ipoh and Padang Besar. We lost about RM8 billion," he said of the project that was shelved by his successor Tun Abdullah Badawi after taking power in 2003.

Dr Mahathir, who is still highly influential in Umno despite stepping down as president, had criticised Abdullah for cancelling the project, which was eventually revived in 2007.

His policies have been the subject of scrutiny in recent weeks after the Najib administration decided to settle out of court the outstanding RM589 million debt owed by Tajudin from the loan he took to buy MAS in 1994.

The settlement sum was undisclosed, prompting intense public criticism and calls from lawmakers across the political divide for taxpayers to know how much of public funds had been recovered.

Tajudin, 65, had served as the airline's executive chairman from 1994 to 2001 and was a poster boy of former Finance Minister Tun Daim Zainuddin's now-discredited policy of nurturing a class of Malay corporate captains on government largesse during the Mahathir administration.

But Dr Mahathir denied today his government had handpicked Malays to be billionaires, saying the different races were represented at all levels of the economic ladder.

He said when he was prime minister from 1981 to 2003, "other races also became millionaires and billionaires," pointing to the likes of Berjaya's recently retired chairman Tan Sri Vincent Tan, Hong Kong-based Robert Kuok and communications magnate Ananda Krishnan.

Source: <http://www.themalaysianinsider.com/malaysia/article/dr-m-says-had-no-choice-but-to-bail-out-tajudin-ramlis-mas/>