

A CRITICAL ANALYSIS OF THE WSJ'S ALLEGATIONS

Malaysia Today

July 25, 2015

By Super Admin

In the meantime, Clare Rewcastle-Brown and the *WSJ* can expect to be hit with huge lawsuits that will completely destroy their reputations.

Calvin Sankaran, Malaysiakini

The Wall Street Journal (WSJ) has published many explosive stories and exposes, but none in the scale or scope of the allegations it made against the Malaysian PM, Najib Abdul Razak. Their accusation that more than RM3 billion from 1MDB-linked firms were channelled to the personal account of Najib is unprecedented in the history of the newspaper.

Though guilty of wafer-thin, superficial economic and business analyses as well as occasional off-the-mark reportage, the newspaper is well respected and not known for having any political agenda. Certainly they possess the credibility and a reputation for honesty that the likes of the *Sarawak Report* don't.

As such their accusations against the PM send shockwaves in just in Malaysia but reverberated around the globe as well – a newspaper of their standing would not make such serious allegation without having a strong basis and evidence.

In the current supercharged political climate, rational analysis and debate has become a rarity. Most Malaysians' response to this expose was to allow their pre-existing political beliefs to guide their thoughts and actions. There was no educated debates or discussions on the merits (or lack of it) of the *WSJ's* allegations.

To fill this gaping intellectual void and open up a healthy debate on this matter, I would like to offer an analysis and examination of the *WSJ's* accusations.

Let's examine the case and also the evidence uploaded on to their website by the *WSJ*. First let's revisit the charges made by the *WSJ*. The newspaper had stated that:

* There were three transactions from Ihsan Perdana Sdn Bhd for Rm42 million was transferred to the PM's personal banking account at AmPrivate Banking Sdn Bhd on Dec 26, 2014 and Feb 10, 2015.

* There were two transactions from Tanore Finance Corporation for US\$681 million was transferred into the PM's account at AmPrivate Banking on March 21 and 23, 2014.

To convince a neutral and rational person of these allegations, the minimum proof the accuser has to provide are bank transcripts and Inter-bank money transfer instructions forms (MT103) clearly showing the money was transferred from Ihsan Perdana and Tanore Financial into Najib's personal accounts.

Secondly and most importantly, the accuser must also be able to provide the original hardcopy evidence of the above mentioned documents since it is easy to tamper documents digitally.

The *WSJ* did fulfil the first part of the requirement by providing the banking documents. In addition it also uploaded flow charts purportedly detailing the flow of money and a letter from Nik Faisal Ariff Kamil giving authorisation to an AmIslamic Bank Branch to allow certain individuals to deposit cash for the three bank accounts allegedly related to Najib.

However, the *WSJ* did not fulfil the second requirement and there is no indication that they themselves inspected the physical documents.

Now let's examine the strength and credibility of evidence that the *WSJ* provided to see if the evidence passes muster.

Ihsan Perdana Transactions for RM42 million

The *WSJ* provided two remittance documents that showed the said amount being transferred from Ihsan Perdana account to AmPrivate Banking account numbers 2112022011906 and 2112022011880. Having examined a physical Affin Banks' Remittance Form, the document presented looks authentic and there are no obvious signs of forgery or tampering.

However, the million ringgit question here is if the two named accounts were actually belonged to Najib. Conveniently the columns for customer name and details were erased either digitally or physically from the form. Thus there is no way to link that these accounts to Najib. The bigger question is why this information was erased when it is the most crucial piece of evidence in the entire story?

Instead of providing a direct proof, the *WSJ* chose to give an indirect evidence in the form of the letter of declaration from Nik Faisal for the three accounts the money was transferred to. Here, too, we notice that the two lines of description below Nik Faisal's signature for his title and company name were blacked out. Again there was no explanation on why this was done. Also Nik Faisal does not state the name of the account holder in the letter.

Tanore Financial Corp's Transaction for US\$681 million

The MT103 Inter-bank Money Transfer Instruction form looks real enough with the correct SWIFT codes used for the banks involved. At the first glance there are no obvious signs of tampering. The form shows the money was transferred from Tanore

Financial Corp via Falcon Bank in Singapore into an AmPrivate Banking Account number 2112022009694.

However, the name of the account holder is missing from the document. Thus, again, there is no way to connect Najib to this account and the crucial link is again missing.

Summary

Since there is no direct proof that these accounts actually belonged to Najib, it is very surprising and perplexing on how the *WSJ* concluded that the money was transferred to the PM's personal account. According to the *WSJ*, the one piece evidence that linked the accounts to PM was the flow chart that the "Malaysian investigators" prepared (which was also uploaded).

However, such a separate piece of document does not amount to evidence and can only be deemed as hearsay.

If these accounts indeed were indeed linked to the PM, why the details of the account holder were erased in the banking documents? It goes without saying that anyone can create a separate flow chart to show any names they wish to but that doesn't amount to evidence. That the account holders' details were erased should be been a red flag to *WSJ* to alert that something is really amiss.

Analysis

Obviously I do not have access to the above-mentioned banking accounts or the named companies' internal files, but I can make some educated guesses on the nature of these transactions.

For Ihsan Perdana, the money probably been paid to certain organisations for corporate social responsibility (CSR) purposes and the accounts in questions actually belonged to these companies or organizations which are probably tied to SRC. The authorisation letter by Nik Faisal indirectly points out that these accounts belonged not to individuals but to companies. This can be seen the way he signed the letter when he included his title and company name below.

As for the transactions from Tanore, it is likely that the money is from Aabar which just days before the alleged transfer signed an agreement with 1MDB to form a joint-venture company called Abu Dhabi Malaysia Investment Company (ADMIC) for which capital of US\$3 billion was raised. Furthermore Aabar and its parent company IPIC have invested in numerous ventures in Malaysia.

As such it is highly likely that these two transactions were meant as payments for one or more such deals.

Furthermore there were no investigations into the PM's personal account by any Malaysian agencies at that time as it was the 1MDB which was being audited. If Najib

was indeed being investigated, then there is no need for a special task force to be formed after the disclosure since the WSJ's imaginary 'Malaysian investigators' already have all the proof they need.

In summary, I can conclude that the *WSJ*'s allegations neither make any logical sense nor have any evidence to back up. In fact the WSJ have zero ground to make the accusations. With this the whole affair does look like an orchestrated plan to discredit Najib and sabotage the Malaysian economy and currency.

It is also interesting to note that the *Sarawak Report* have in their possession the same documents but published them in different graphical format. This appears to show that those behind the plot were also involved with *Sarawak Report* in the past. But the difference this time is that the information is coming from sources within the Malaysian government agencies, 1MDB and banks.

In my view, the main objectives of the plan is to show the ruling BN government used huge sums of monies to bribe voters to win the 13th general election. Thus the plotters wish to overturn the result and call a fresh election. Thus beneficiaries of a new election are likely to be the ones who are behind the plot.

Unfortunately for the *WSJ*, they fell for this elaborate scam and published the allegations without performing due diligence. I predict a number of Malaysian from political parties as well as from the financial media will be spending a long time behind bars for this nefarious plot to sabotage the country. These people are certainly no whistle blowers or patriots but traitors to the country.

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