

Look in the mirror, opposition MPs say of Putrajaya's 'economic sabotage' claim

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KUALA LUMPUR, Aug 20 — Putrajaya should examine its own role in causing Malaysia's current economic woes rather than blaming these on "economic sabotage", two opposition lawmakers said.

The MPs argued that the ringgit's steep decline was heavily influenced by investors' scepticism over the ongoing controversy surrounding Putrajaya and state investment arm, 1Malaysia Development Berhad (1MDB).

They said the attempt by Multimedia and Communications Minister Datuk Seri Salleh Said Keruak to blame Putrajaya's "failures" on a foreign conspiracy is laughable and indicated an refusal to accept that the issue was of its own making.

"I think the minister reads too much conspiracy theories books. The market is not a conspiracy and works on data and perception, a perception that is badly managed by an absent minister of finance.

"So it's a bit too rich for him to say that the market or foreigners are conspiring against us," Kelana Jaya PKR MP Wong Chen told *Malay Mail Online*.

State news agency Bernama quoted Salleh as saying on Tuesday that local figures are conspiring with foreigners to use the economy as a weapon to topple the Najib government.

The ringgit has lost nearly a fifth of its value versus the US dollar since last year and traded at 4.1040 to the greenback when the market closed yesterday, while Bursa Malaysia recorded the government bond rose with the 10-year yield falling two basis points to 4.28 percent.

Malaysia' gross domestic product slowed to 4.9 per cent in the last quarter — the slowest in two years.

While much of the decline is due to monetary policy changes in the US and China as well as crashing commodity prices, banking executives and even Najib has cited politics as a contributing factor.

Shah Alam MP Khalid Samad said it was time that Putrajaya acknowledge and address its shortcomings instead of diverting the blame using self-made conspiracy theories.

"I think it's a bit silly as there are so many glaring failures on our own part so we shouldn't keep on blaming others for our own failures.

"We have a lot of successes and this is soiling investor confidence and (now) we've reached rock bottom, no amount of rumours could create that loss in confidence," Khalid told *Malay Mail Online*.

A Cabinet reshuffle in which Najib dropped critics of Putrajaya's handling of the 1MDB issue as well as the dissolution of a special multi-agency taskforce investigating the firm has prompted suspicions of an attempt to clear the prime minister over a RM2.6 billion deposit in his personal accounts.

Bloomberg reported yesterday that the ringgit slumped 6.3 per cent, the benchmark stock index lost 9.4 per cent and sovereign bond risk jumped to a four-year high since the Malaysian Anti-Corruption Commission on August 3 said Najib received the funds from donors and not 1MDB.

Economists polled by the news service pointed out that investors have begun to shun Malaysia due to a "trust deficit" towards the Najib administration in light of the political scandals plaguing his leadership.

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