

Bid to oust Najib sooner than expected, says Economist
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A beleaguered Datuk Seri Najib Razak might face a leadership challenge soon, The Economist reported today.

The prime minister's opponents in Umno may rally behind Deputy Prime Minister Tan Sri Muhyiddin Yassin, given the scale of problems faced by strategic investment fund, 1Malaysia Development Bhd (1MDB), which was Najib's brainchild six years ago.

Noting that Najib has been on borrowed time since the last general election, the newspaper said 1MDB's debts of RM42 billion made Najib an easy target.

But despite the opposition's relentless attacks against the prime minister over 1MDB, the newspaper said Najib was probably more worried about criticism from Umno, especially the factions aligned to former prime minister Tun Dr Mahathir Mohamad.

The Economist described Dr Mahathir as a "meddling former prime minister who is itching for Najib to step down" and he has been one of the most vocal critics of 1MDB.

Compounding the problem is, in January, Najib's approval rating fell to a new low of 44%.

The rating dip will hasten moves in the party for a leadership change among opponents who might have waited a year to gain more support, it said.

Laying bare the problems with 1MDB, the newspaper said its recent struggle to service its debts of more than RM42 billion, particularly the RM2 billion due at the end of January, Malaysians were curious about how the fund had been spending its money.

The newspaper quoted website Sarawak Report, which last month published emails focused on the fund's partnership with international oil company PetroSaudi in 2009.

It added that if the information was genuine, it highlighted the key role played by businessman Low Taek Jho in setting up the deal. Low had allegedly siphoned off US\$700 million after brokering the 1MDB and PetroSaudi deal.

The newspaper said the furore surrounding the fund was "unhelpful" for Putrajaya, noting that Najib's standing at home and abroad relied partly on a reputation as a reliable guardian of Malaysia's money, as he also serves as finance minister.

While the government has stressed that Najib was not involved in the fund's day-to-day operations, he still chairs its board of advisers.

As such, analysts have express concerns over 1MDB weighing down the country's credit rating and ringgit. – March 6, 2015.

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