

Penang CM raps Ahmad Maslan over 'illogical' remarks on decline of ringgit value

The Malaysian Insider

Jun 14, 2015

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Deputy finance minister Datuk Ahmad Maslan, who remarked that Tun Dr Mahathir Mohamad's criticisms against Prime Minister Datuk Seri Najib has a negative effect on the value of the ringgit, should take lessons from taxi drivers, said Lim Guan Eng.

The Penang chief minister said today even those who did not study economics could tell how illogical Ahmad's remark was.

"Ahmad Maslan hit out against Dr Mahathir, telling him to stop scolding Najib because the ringgit's value will fall further. What kind of logic is that? How could he have made such a statement?

"Clearly he has lost his direction. When people like that fail to explain things, they will just resort to bashing others," Lim said in his speech during a ceremony to present state incentives for taxi drivers in Seberang Prai on mainland Penang today.

"It is not that we are supporting Dr Mahathir, but we must go with facts. The value of the ringgit depends on the economy and has nothing to do with Dr Mahathir scolding Najib.

"He (Ahmad) should perhaps take lessons from taxi drivers," Lim said to the amusement of the cabbies.

Mingguan Malaysia reported today that Ahmad urged Dr Mahathir to stop attacking Najib because the former prime minister's actions could negatively affect the economy and tarnish the country's image.

He reportedly said issues raised by Dr Mahathir and supported by certain groups were said to have also contributed to the decline of the ringgit.

In his speech, Lim also spoke about the importance of the economy of the country to ensure the livelihood of the people, and how the 1Malaysia Development Berhad's (1MDB) RM42 billion debt controversy had negatively affected the Malaysian economy.

"We have to understand what is causing the economic issues in the country... the economy is the biggest issue in the country.

"You all know the spat between Dr Mahathir and Najib is over 1MDB," he said, referring to the questions, harsh criticism and even the challenge to resign the former prime minister has targeted at Najib for months over where the billions have gone.

Lim, a trained accountant, said the low value of the ringgit had to do with the state investment firm's financial predicament, using the lower economic growth of Thailand as an example.

Although Malaysia's gross domestic product (GDP) expanded 5.6% in the first quarter of the year compared to 2014, the value of the Malaysian currency was still down, he said.

In Thailand, the GDP only expanded 0.3% in the first quarter of this year but its currency was doing better than the ringgit.

"This is because they don't have a 1MDB in Thailand," he said.

While the 1MDB scandal is said to have a damaging effect, Dr Mahathir on Thursday attributed the depreciation of the ringgit in spite of Malaysia's strong economic fundamentals to "some political influences".

Earlier, Lim also hit out at the implementation of the goods and services tax, the hike in fuel prices and the impending increase in highway toll rates.

He told the taxi drivers to raise their objections to Putrajaya against the 30% toll hike that the federal government was considering for 16 highways. – June 14, 2015.

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