

Is 1MDB Najib's slush fund, asks DAP
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DAP today questioned if 1Malaysia Development Berhad (1MDB) was created to be a slush fund to meet the political needs of Datuk Seri Najib Razak, following a Wall Street Journal (WSJ) report that claimed the troubled company indirectly bankrolled the prime minister's 2013 election campaign?

National publicity secretary Tony Pua (pic) said it appeared debt laden 1MDB may have been created as a special purpose vehicle with one of the key objectives being to raise a substantial slush fund to finance Barisan Nasional's election campaigns.

Najib is the chairman of the ruling coalition.

WSJ had said debt-ridden 1MDB had indirectly supported Najib's campaign by purchasing power assets from Genting Group in 2012 for five times more than its worth. Genting allegedly donated part of the earnings to a foundation controlled by Najib.

According to WSJ, the foundation, Yayasan Rakyat 1Malaysia (YR1M), then announced several charity projects that Najib later brought up during his campaign.

"Though set up to help underprivileged Malaysians through education and sport, this charity soon got involved in spending that appeared designed to help Najib retain power in the May 2013 general election," WSJ said in the report.

In a response to WSJ, the Prime Minister's Office said the claims were baseless.

Following the report, Pua today demanded that Najib, who chairs YR1M, to disclose all the charity's financial transactions and its source of funds.

"Did Tanjong Power and the Farlim Group which sold the Penang land also contribute significantly to YR1M or any other charities which the prime minister controls?"

"If proven, then the RM42 billion 1MDB scandal will widen from embezzlement, misappropriation and mismanagement to outright corruption by the Prime Minister – abusing tax-payers' funds to further his own political interests, and that of Umno and its coalition partners," Pua said in a statement today.

The Petaling Jaya Utara MP pointed out critics of 1MDB, which is said to have amassed RM42 billion in debts to date, have always wondered how its top management and senior executives could pay astronomical prices for its acquisitions.

He cited examples of 1MDB's transactions such as paying Tanjong Power RM8.5 billion for its power plant and the parcels of land in Air Itam, Penang for RM1.27 billion.

"These critics have always been suspicious of hanky-panky transactions but have

never been able to pinpoint the wrongdoings.

"All that now changes with the massive expose which hit the front pages of the WSJ which alleged that the acquisition payments were channelled back to special charities to fund Barisan Nasional's election campaigns," he added. – June 21, 2015.

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