

Najib smeared country's name, not me, Dr Mahathir says
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Prime Minister Datuk Seri Najib Razak is the one who has given Malaysia a bad name, Tun Dr Mahathir Mohamad said in a blog post, highlighting business decisions by state-owned investor 1Malaysia Development Bhd (1MDB) of which Najib is advisory board chairman.

"I was not a manager or an executive adviser. Najib, on the other hand, set up 1MDB with government funding of RM1 million, and was adviser to the firm," the former prime minister said in his blog, chedet.cc.

Dr Mahathir said 1MDB ended up with a RM42 billion debt which was "42,000 times biggest than its capital".

He said money was borrowed from Goldman Sachs at a high interest rate and commission of 10%, and was used to buy power generator stations that were old with licenses nearing expiry, for higher than the market price.

"Debts of RM8 billion were taken over, amounting to RM50 billion in debt. The stations were merged and became Edra. But the returns were so little that they didn't cover the interest and had to be sold.

1MDB's power asset Edra Global Energy Bhd and its subsidiaries were recently sold to Chinese firm China General Nuclear Power Corporation (CGN) for RM9.83 billion.

CGN is also taking over Edra's debt in operating assets, amounting to RM7.43 billion.

1MDB has said that the cash receipts and debt transfer will reduce its debts by some RM17 billion.

Dr Mahathir also said 1MDB purchased government land for as low as RM60 per sq ft when plots nearby were sold at RM7,000 per sq ft.

"There is no talk about the airport land purchase price while land occupied by squatters in Penang was bought at a high price. It is hard to develop.

"The attempt to sell land on Jalan Tun Razak (in Kuala Lumpur) that was purchased at RM60 per sq ft to Tabung Haji for RM3,000 per sq ft, which is 50 times more... is it appropriate for the government to make a loss at RM2,940 per sq ft?

"Is this 1MDB's strategic business? Did I do anything like this?"

Dr Mahathir added that Putrajaya had insisted the economy was not doing badly, but the currency and stocks had plunged and the cost of living went up with the introduction of the goods and services tax (GST), as well as price hikes for toll, public transport and fuel.

"Income is increased but the buying power is down because the ringgit is down. Unemployment is on the rise, even among university graduates. Business and industry are having problems," he said.

Dr Mahathir who led Malaysia for 22 years then asked how he had become the person who ruined Malaysia's image, as alleged by Najib's supporters.

"Am I the one ruining the country's image? International newspapers have written about Jho Low (businessman Low Taek Jho) and his friendship with Najib, his lifestyle, luxury home purchase, the funding of the movie 'Wolf of Wall Street' together with Najib's stepson, before I started talking about 1MDB.

"It got worse with the 1MDB reports and then the controversy about the RM2.6 billion donation deposited into Najib's personal account.

"If anyone had damaged Malaysia's name, it was Najib himself. Malaysia's image was fine before," he said.

Dr Mahathir said if the accusations against Najib were nothing but slander, he had to prove them wrong by suing the newspapers that wrote about them.

He added that there was an attempt to smear his name by accusing him of making bad investment decisions, which cost the government money. – December 10, 2015.

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