

Mahathir Once Used EPF To Cover His Disaster Playing The Tin Market

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By MT Webmaster

Mahathir should be the last person on earth to talk about EPF's money when he abused EPF's money to gamble on the tin market in the early 1980s, just like how he gambled on the forex market from 1988-1992 (and lost both times). Much has already been written about this Maminco scandal, which you can read below. Mahathir had been using EPF as his personal piggy bank to cover losses, financial scandals, and disasters due to his various misadventures and bad decisions. Billions have been lost and EPF was used to pay for these losses. And Mahathir paid approximately US\$10 million to get to meet President Bush in 2002.

THE CORRIDORS OF POWER

Raja Petra Kamarudin

Tun Dr Mahathir Mohamad is what they would call a loose cannon. This is how the English dictionary defines a loose canon: "A cannon that breaks loose from its moorings on a ship during battle or storm, which has the potential to cause serious damage to the ship and its crew. (idiomatic, by extension) An uncontrolled or unpredictable person who causes damage to their own team, faction, political party, etc."

Yes, that would make Mahathir Prime Minister Najib Tun Razak's best weapon. The longer Mahathir stays in the opposition and the more he talks the more damage he causes to Pakatan Harapan. And that was the very reason why Mukhriz was sacked as the Kedah Menteri Besar. Najib knew that this would cause Mahathir to *merajuk* and he would, yet again, like in 2008, resign from Umno and, yet again, he would rush into the waiting arms of Lim Kit Siang and Pakatan Harapan.

It was a brilliant move by Najib to get rid of Mahathir without the need of sacking him from the party (which would only allow Mahathir 'sympathy votes'). This way Najib does not 'kill' Mahathir but the old man commits *harakiri* or political suicide. This shows one must be very careful with enemies, like Najib, who are gentle, speak softly and

smile. They can be more *bisa* (poisonous) than people who scream and shout, like those in Pakatan Harapan.

The trouble with Mahathir is the more he screams and shouts the more he puts his foot in his mouth. And Pakatan Harapan is facing a giant dilemma on how to repair the serious damage which Mahathir is doing to the opposition.

For example, Pakatan talks about Najib employing a lobby firm to arrange his meeting with President Donald Trump whereas Mahathir himself paid approximately US\$10 million to meet President Bush in May 2002 — and until today he never rebutted this allegation. And, as Mahathir himself is fond of saying, if you cannot prove your innocence that means you are guilty.

READ: [Najib Claims Dr M Paid Lobbyist ‘Millions’ To Arrange Meeting With George Bush](#)

“**Did Mahathir pay US\$1.6m to meet Bush?**” asked *The Age* of Australia in February 2006 ([READ HERE](#)). Worse still, the money was channeled to a bogus organisation so that Mahathir could hide the payment. This is what the report said:

The Malaysian payments were made to the American International Centre, a bogus “international think tank” that an Abramoff partner, Michael Scanlon, set up at a Delaware beach house. By routing the money in that way, Abramoff avoided having to register with the Justice Department as an agent of a foreign government.

After Dr Mahathir’s White House meeting, a former associate said, Abramoff was invited to a dinner honouring the Prime Minister at the Malaysian embassy. At least one other Washington lobbying firm — Alexander Strategies, run by an Abramoff friend — was also compensated during this period for helping boost Malaysia’s reputation in Washington.

READ: [Megat Junid should step forward to fully clarify his role in the RM4.6 million payment of US super-lobbyist Jack Abramoff to arrange the 2002 meeting between President Bush and former Prime Minister Tun Dr. Mahathir\(Lim Kit Siang, 21st February 2006\)](#)

So Mahathir not only paid to meet Bush but he did it through fraudulent means as well. And here is the man who is whacking Najib for allegedly doing what he himself did. What kind of pariah is this man Mahathir? Even pariahs do not act like Mahathir.

Mahathir's Washington lobbyist, Abramoff, was jailed six years for fraud

Then Mahathir whacks Najib on the EPF investing abroad statement whereas it was Mahathir in 2005 who grumbled that EPF was not investing enough overseas. In fact, Mahathir came out with his statement in 2005 because he found out that Tan Chong, Boon Siew, Genting, and many other Chinese conglomerates were investing overseas and their overseas investments were far higher than their domestic investments.

READ: [Mahathir Wants EPF To Invest More Overseas](#)

So, since the Chinese are spreading out their money and are investing overseas as a hedge against inflation and recession and to ensure a diversified portfolio and higher returns, then EPF should also be doing the same, reckoned Mahathir. And this was why Mahathir told EPF to not 'keep the money under the pillow and earn nothing' but invest more overseas instead.

In 1945 Britain was practically bankrupt because of the money they spent on WWII. However, Britain had huge overseas investments, so that saved them. In Malaya alone, 70% of foreign investments were British-owned while 30% of Britain's economy depended on Malaya. Not having all your eggs in one basket and diversification was the key to Britain staying alive. And that is why Japan, China, Korea, the US, and even many countries from the Middle East, spread out their money and invest all over the world.

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Anwar Ibrahim once joked: why do we need IMF when we have EPF? Yes, Anwar thought it was funny that Mahathir was abusing EPF's money to cover the losses from his misadventures, bad business decisions, and financial disasters. And this is the same Anwar who covered Mahathir's back and lied to Parliament and the Cabinet regarding Bank Negara's losses gambling on the forex market.

The list of scandals that Lim Kit Siang blamed Mahathir for: the Maminco-Makuwasa being amongst the first together with the BMF scandal

Malaysians are just beginning to find out the truth regarding Bank Negara's RM32 billion forex losses after the lies the nation has been fed with for 25 years. There is another truth which is being hidden from Malaysians for more than 30 years regarding the Maminco tin fiasco and how EPF was used to pay for and hide these losses. It is time Malaysians find out the truth about this as well. And since Mahathir is so concerned about how EPF's money is invested this would be a good time for the truth to be told.

This is why Mahathir is a loose cannon who is a danger to himself and to the opposition. Every time he fabricates a story regarding Najib, a story emerges about him as well. And the story about Mahathir that emerges is always about how he lied to the country, abused his power, and caused the loss of billions of taxpayer's money. Mahathir should just shut up before he gets himself and Pakatan into more trouble. As it is there is already so much shit regarding Mahathir which is going to cost Pakatan Harapan many votes in the next general election. And read the facts below to get a better understanding of the Maminco tin fiasco shit and how Mahathir stole from EPF to clean this shit.

The story about what happened to the tin market

Malaysia's Tin Play:

In June of 1981, under the guidance of commodity trader Marc Richie and Co., the government-owned Malaysian Mining Corporation set up a subsidiary to secretly purchase tin futures on the London Metal Exchange (LME). These covert purchases, funded by Malaysian banks, were designed to further support international prices for the metal, which were being depressed by a global recession, greater tin recycling and the substitution of tin for aluminium in packaging applications.

Just when Malaysia's purchases of future contracts and physical tin looked to be succeeding, however, the LME changed its non-delivery rules, letting short sellers of the hook, and resulting in a sudden drop in tin prices by about 20 percent.

Building Pressure:

The 6th ITA, which was due to be signed in 1981, was delayed as a result of acrimonious relationships between members. The US had no interest in the ITC governing sales of tin from its strategic stockpile and withdrew from the Agreement along with Bolivia, a major producing nation.

The withdrawal of these countries and others, as well as the growing export of tin from non-member states, such as Brazil, meant that the ITA now only represented about half of the world tin market, compared with over 70 percent a decade earlier.

The remaining 22 members who signed the sixth ITA in 1982 voted to fund the purchase of 30,000 tonnes of stock, as well as borrow money to finance purchase of another 20,00 tonnes of the metal.

In a desperate attempt to stem falling prices, the ITC further imposed export controls, but this was to little avail, as global production of tin had exceeded consumption since 1978 and the organisation wielded less and less power.

The Council decided to intervene more heavily by also buying tin futures on the LME.

Efforts to entice large non-members to join in the Agreement failed and by 1985, recognising that the current price floor was not defensible indefinitely, the ITC had a decision to make about how to continue to pursue its objectives.

Malaysia, a major producer and strong voice in the Council, stymied attempts by other members to lower the price floor, which was set in Malaysian ringgits. The fact that the target price was set in ringgits, itself, put further pressure on the ITC, as exchange rate fluctuations in early 1985 resulted in further declines in the LME tin price.

This drop put financial constraints on the ITC's creditors – tin producers who held the metal as collateral – just when the Council was running low on cash.

The Tin Market Crash:

As rumours of the ITCs financial situation began to spread, the Council's Buffer Stock Manager, fearing a market collapse, urged members to continue financing the purchase of tin stocks.

But it was too little too late. Promised funds never arrived, and on the morning of October 24, 1985, the Buffer Stock Manager advised the LME that it was suspending operations due to lack of funds.

Due to the gravity of the situation, both the LME and Kuala Lumpur Commodity Exchange both immediately suspended trading of tin contracts. Tin contracts would not return to the LME for another three years.

As members could not agree on a plan to rescue the ITC, chaos spread through the LME, the City of London and global metal markets.

While Council members argued, the tin market ground to a halt. Mines began closing and, unable to meet obligations, major players were forced into bankruptcy. The price of tin, meanwhile, nose-dived from around US\$ 6 per pound to under \$4 per pound.

The UK government was forced into launching an official inquiry that ultimately revealed the extent of the ITC's losses. The Council's gross liabilities as of October 24, 1985 were found to be an astounding £897 million (US\$ 1.4 billion). Physical stocks and forward purchases were far more than members had authorised and over 120,000 tonnes of tin – eight months of global supply – would have to be valued and liquidated. (*The Tin Market Crash of 1985: Why did the tin market collapse in 1985?, 18 October 2016*)

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Sources: <http://www.malaysia-today.net/mahathir-once-used-epf-to-cover-his-disaster-playing-the-tin-market/>