

Malaysia Goes After a Whistle-blower
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Companies commission investigators show up at NGO's door

Suaram, the Kuala Lumpur-based human rights NGO at the center of attempts to break open a corruption case over Malaysia's 2002 purchase of French submarines, has been given seven days by officials of the Companies Commission to hand over an array of documents covering its expenditures from 2008 to 2011.

Cynthia Gabriel, director for the organization, told Asia Sentinel that Suaram would comply although the NGO is taking advice from lawyers on strategy.

The authorities sought to raid Suaram last week but were turned back, once because their warrant wasn't signed and a second time because they arrived at the Suaram headquarters after everybody had gone home.

The visits followed several days of stories in ruling party-controlled newspapers demanding to know why Suaram was registered as a company rather than an NGO, and what it had done with earnings it posted since 2009 although that seemed to be a deflection against damning documents that showed that top government officials had been complicit in bribe charges for two decades.

The visits by the Companies Commission investigators were characterized as "harassment, pure and simple, as a way to distract the public from the ongoing Scorpene probe in France," Gabriel said. "Further to this, we have nothing to hide. We audit our accounts yearly."

The visits – the first in Suaram's 23 years of existence – appear to be a fishing expedition to try to find out where the NGO gets enough money to hire French lawyers to pursue a government scandal, and more particularly whether any of the money is coming from the Pakatan Rakyat coalition headed by Opposition Leader Anwar Ibrahim.

The Commission's other priorities?

In the meantime, the Companies Commission investigators have been so busy seeking to investigate Suaram that they have neglected to investigate two other companies – Perimekar Sdn Bhd, which somehow became important enough to win a €114.96 million commission on the sale of the submarines despite the fact that it did no business the year before it won the commission, and Terasasi Hong Kong Ltd, which received another €36 million from the French defense contractor despite the fact it only existed as a name on a wall in a Hong Kong accounting office.

Both companies were headed by Abdul Razak Baginda, then the head of a think tank called Malaysia Strategic Research, which was closely connected to the United Malays National Organization. Razak Baginda was one of then-Defense Minister Najib Tun Razak's best friends.

Two years ago, Suaram hired a team of Paris-based lawyers headed by William Bourdon to investigate the French defense giant DCN and its subsidiaries on suspicion it was involved in a web of corruption. The story has been told in voluminous detail in 133 documents submitted to a French prosecuting court. The documents describe a long tangle of blackmail, bribery, influence peddling, misuse of corporate assets and concealment, among other allegations. The documents, written in French, were described in a story published in Asia Sentinel on June 25 and uploaded onto the Internet here.

Increasing fire from government blogs, papers

Suaram has come under increasing fire since Bourdon and his colleague, Joseph Brehm, began to publicize a series of allegations related to the documents in May. Pro-government bloggers have repeatedly accused Suaram of being in Anwar's employ, have questioned the veracity of the documents and whether they existed and whether French authorities in fact are even going to move the case forward.

Questioned by the opposition in Parliament, Defense Minister Ahmad Zahid Hamidi took the floor briefly almost at midnight on June 26 to say Suaram was wrong to say there was a trial taking place in France's Tribunal de Grande Instance over the sale of the subs, although neither Suaram nor Asia Sentinel had said a trial was taking place. There is an investigation taking place, however, and it was those investigators who confiscated hundreds, perhaps thousands of documents from DCN and its subsidiaries in raids on April 7, 2010 to present to the investigating magistrate.

Ahmad Zahid also said that the Defense Ministry had no information on allegations confidential documents of the procurement of the submarines were sold to Thint Asia (Thales International) by Terarasi (Hong Kong) allegedly for €36 million although Asia Sentinel was able to obtain the information from the documents, which are on line, and from the Hong Kong Registry of Companies.

"The ministry also does not have any information on the alleged payment from Thales International Asia to Terasasi (Hong Kong)," he said.

As Asia Sentinel reported, at least one secret diplomatic cable shows that some of the misdeeds appear to have taken place with the knowledge of top French and Malaysian government officials including then-foreign Minister Alain Juppe and with the consent of former Malaysian Prime Minister Mahathir Mohamad. The documents were presented to the French Prosecuting Magistrate at the Court de Grand Instance de Paris in May and June of 2011.

Harassment: Not a new tactic

It is not the first time the Malaysian government has sent investigators after those calling attention to massive corruption on the part of the government and its cronies. For example, when Ramli Yusuff, the director of Malaysia's Commercial Crime Investigation Department, sought to bring Tajudin Ramli, a crony of former Prime Minister Mahathir Mohamad, to justice for looting Malaysian Airline System (MAS) of tens of millions of dollars, it was Ramli who was pursued by the Malaysian Anti-Crime Commission rather

than Tajudin despite abundantly clear evidence of the charges. Ramli and his lawyer came under fire that nearly ruined their careers and almost put them in jail.

Likewise, Lim Guan Eng, now the chief minister of the state of Penang, was arrested in 1994 after pointing out that the former chief minister of Malacca, Rahim Thamby Chik, had been absolved of charges of statutory rape after having had sex with an underaged girl and in fact had had the girl arrested after her parents complained. Lim was ultimately sentenced to 18 months imprisonment for sedition for bringing up the charges, was disallowed from standing for election to public office for five years and he was made ineligible to contest the 2004 Malaysian general election.

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