

NO68

HERE RERUN: (ITEM NO35)

NO35: (F)

MAHATHIR-BRITISH

BY BERNARD LIM

KUALA LUMPUR, OCT. 26²⁾ (BERNAMA) -- PRIME MINISTER (DATUK SERI DR. MAHATHIR MOHAMAD SAID TODAY THAT THE DECISION ON BRITISH GOODS AND SERVICES WILL STAY UNLESS THERE +ARE VERY STRONG MITIGATING FACTORS+ CREATED BY BRITAIN.

IN A SPECIAL INTERVIEW ON THE OCCASION OF HIS 100TH DAY IN OFFICE, HE SAID THAT AS FAR AS HE COULD SEE, THE DECISION WOULD REMAIN FOR A +VERY LONG TIME BECAUSE I DON'T SEE ANY ACCOMMODATION ON THE PART OF THE BRITISH.+

THE GOVERNMENT RECENTLY ISSUED A DIRECTIVE REQUIRING ALL CONTRACT OFFERS TO BRITISH COMPANIES TO BE REFERRED TO THE PRIME MINISTER'S DEPARTMENT TOGETHER WITH A LIST OF ALTERNATIVE COMPANIES FROM OTHER COUNTRIES.

DATUK SERI DR. MAHATHIR SAID THERE WAS NO REASON FOR HIM TO BE MISUNDERSTOOD.

+I AM VERY CLEAR ABOUT OUR ATTITUDE TOWARDS BRITAIN. WE ARE NOT CARRYING OUT A GENERAL BOYCOTT OF BRITISH GOODS. -- BERNAMA MORE 1645/A1

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+ALL WE ARE SAYING IS THAT THE GOVERNMENT WILL NOT BUY BRITISH IF WE CAN HELP, BUT WE WILL STILL BUY IF WE CANNOT HELP.+

HE HOWEVER POINTED OUT THAT BRITISH COMPANIES WHICH HAD INVESTED IN MALAYSIA AND WERE PRODUCING GOODS WOULD NOT BE SUBJECT TO THE RULING.

+WE WILL BUY BECAUSE THEY ARE PRODUCING IN THIS COUNTRY AND THE GOODS ARE MALAYSIAN PRODUCTS,+ HE SAID.

THE PRIME MINISTER EMPHASISED THAT THE GOVERNMENT WAS STILL COMMITTED TO FOREIGN INVESTMENT AND WOULD WELCOME THE BRITISH IF THEY WANTED TO INVEST IN THE COUNTRY.

HE POINTED OUT THAT BRITAIN WAS MORE DEPENDENT ON MALAYSIA RATHER THAN VICE VERSA BECAUSE MALAYSIA HAD ALTERNATIVE SOURCES FOR THE PURCHASE OF CARS AND MILITARY

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DATUK SERI DR. MAHATHIR SAID THAT IF MALAYSIA IMPORTED LESS BRITISH GOODS, THEN THE BALANCE OF PAYMENTS COULD BE IN THIS COUNTRY'S FAVOUR.

HE SAID THAT THERE WAS NO REASON FOR MALAYSIA TO ACCORD PREFERENTIAL TREATMENT FOR BRITISH GOODS BECAUSE BRITAIN, WHICH HAD BECOME A MEMBER OF THE EUROPEAN ECONOMIC COMMUNITY, NO LONGER PROVIDED SPECIAL PREFERENCE FOR MALAYSIAN PRODUCTS.

HE ADDED THAT ALTHOUGH BRITISH INVESTMENT IN MALAYSIA WAS THE THIRD LARGEST, IT WAS ACTUALLY INVESTMENT MADE A LONG TIME AGO.

OVER THE PAST FEW YEARS, BRITISH INVESTMENT HAD IN FACT BEEN DECLINING WHEN COMPARED WITH AMERICAN, JAPANESE OR SINGAPORE'S INVESTMENT IN MALAYSIA, HE SAID.

ASKED TO COMMENT ON THE STATEMENT OF FOREIGN INTERESTS THAT WHAT THE NEW GOVERNMENT WAS DOING WOULD SHAKE CONFIDENCE OF FOREIGN INVESTORS, DATUK SERI DR. MAHATHIR SAID:

+THE FOREIGN INTEREST IS LARGELY BRITISH INTEREST. THAT IS WHAT THEY HAVE BEEN SAYING ALL THE TIME. -- BERNAMA MORE 1694/A1

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MAHATHIR - BRITISH 4 KUALA LUMPUR

+PLEASE REMEMBER THAT THESE OPINIONS WERE FIRST BROUGHT UP DURING THE SIME DARBY PROBLEM WHICH WAS A LONG TIME BEFORE THIS IDEA OF DAWN RAIDS TOOK PLACE.

+AT THAT TIME, WE WERE BUYING OPENLY IN THE MARKET, WE WERE CONFORMING TO THE RULE THEN.+

HE SAID THAT TUN TAN SIEW SIN (CHAIRMAN OF SIME DARBY) MADE A CLEAR STATEMENT THAT HE WANTED TO BUY GUTHRIE CORPORATION.

+THAT WAS A LONG TIME AGO, AND ALREADY WE WERE ACCUSED OF BACK-DOOR NATIONALISATION, IN SPIITE OF THE ACT OF SIMPLY BUYING WHAT IS BEING SOLD IN THE MARKET,+ HE SAID.

THE PRIME MINISTER ADDED: +YOU MEAN TO SAY WE CANNOT BUY THE GOODS. THEN DON'T SELL TO ANYBODY. BUT IF YOU SAY THAT THIS IS FOR EVERYBODY WHO HAS THE MONEY, THEN IT IS WILLING BUYER, WILLING SELLER. WE BUY. -- BERNAMA MORE 1656/A1

NO39: (F)
MAHATHIR-BRITISH 5 KUALA LUMPUR

+WE DIDN'T FORCE ANYBODY. WHY IS IT CALLED NATIONALISATION?
ONLY THE BRITISH HAVE BEEN CALLING IT SO. WE HAVE NOT DONE
ANYTHING TO ANYBODY ELSE.+

ASKED WHETHER OR NOT HE WAS WORRIED OR CONCERNED THAT THE
GOVERNMENT'S MOVE WOULD AFFECT SENTIMENTS OF OTHER FOREIGN
INVESTORS, HE SAID THAT IN 1978 WHEN HE BECAME TRADE AND INDUSTRY
MINISTER THERE WAS PRACTICALLY NO INVESTMENT IN THIS COUNTRY
BECAUSE OF THE INDUSTRIAL CO-ORDINATION ACT.

THE GOVERNMENT HAD TO EXPLAIN WHAT THE POLICY WAS ALL
ABOUT AND AFTER THE EXPLANATION, THE INVESTMENTS ROLLED IN.

HE SAID: +I HAVE NO FEAR BECAUSE IT DOES NOT AMOUNT TO
NATIONALISATION. THE TROUBLE WITH EX-COLONIAL POWERS IS
THAT WHEN YOU NATIONALISE, THEY SAY THAT THEY DON'T
MIND SO LONG AS YOU COMPENSATE.

+WHEN WE TAKE OVER THE COMPANY AND COMPENSATE, THEY WILL
SAY THEY DON'T MIND IF ONLY YOU WILL NOT TAKE THEIR COMPANY.+

— BERNAMA MORE 1700/A1

NO40: (F)
MAHATHIR-BRITISH 6 KUALA LUMPUR.

+WHEN WE BUY SHARES IN THE MARKET, THEY SAY THEY WON'T MIND
AS LONG AS THE PRICE IS RIGHT, BUT WHEN WE PAY HIGHER PRICE,
THEY ARE STILL UNHAPPY ABOUT IT.+

REFERRING TO THE TAKEOVER OF GUTHRIE CORPORATION, HE SAID THAT
OVER 900 PENCE WAS PAID TO THE SHAREHOLDERS WHO WERE HAPPY WITH
IT.

HE SAID THAT ALTHOUGH THE LAW WAS SUPPOSED TO DEFEND THE
SHAREHOLDERS, ESPECIALLY THE MINORITY SHAREHOLDERS, WHAT
THESE PEOPLE WANTED WAS TO PROTECT THE RIGHTS AND PRIVI-
LEGES OF THE MANAGEMENT.

+THE MANAGEMENT WANTS TO STAY THERE WITH ALL THE PERKS THAT THEY
GET, THE HUGE INCOME THAT THEY GET,+ HE SAID.

+THEY DON'T CARE ABOUT THE MINORITY SHAREHOLDERS WHO
ARE NOT GETTING MUCH MONEY ANYWAY.+ -- BERNAMA MORE 1702/A1

NO41 (F)
MAHATHIR-BRITISH 7 KUALA LUMPUR

CITING DUNLOP AS AN EXAMPLE, HE SAID THAT IT DID NOT PAY ANY DIVIDEND BECAUSE IT WAS RUNNING AT A LOSS BUT THE MANAGEMENT WOULD LIKE TO STAY ON IN THE COMPANY.

THE MANAGEMENT HAD EVEN URGED THAT THERE SHOULD BE NO TAKEOVER.

DATUK SERI DR. MAHATHIR SAID THAT IF 51 PER CENT OF CONTROL WAS GAINED BY ANY ONE GROUP, THE PEOPLE WHO WOULD BE OUT WOULD BE THE MANAGERS.

ASKED WHETHER THIS MEANT THAT THE MANAGEMENT OF GUTHRIE WOULD BE REPLACED NOW THAT PNB HAD OBTAINED THE CONTROLLING STAKE, HE REPLIED, +NOT AT ALL, CERTAINLY.+

+WE WILL RETAIN THOSE WHO ARE GOOD BUT WE CANNOT RETAIN THOSE WHOM WE THINK ARE DOING THINGS THAT ARE DETRIMENTAL TO THE COMPANY AND TO US.+

FOR INSTANCE, HE SAID, PERSONS INVOLVED WITH THIS ACT OF DELIBERATELY DISINVESTING IN MALAYSIA AND GOING ELSEWHERE AND GETTING INVOLVED IN COMPANIES WITH DUBIOUS BACKGROUNDS COULD NOT BE RETAINED. -- BERNAMA MORE 1710/SZ

NO42: (F)
MAHATHIR-BRITISH 8 KUALA LUMPUR

REPLYING TO A QUESTION, DATUK SERI DR. MAHATHIR SAID THAT ONCE THE COUNTRY GAINED CONTROL OF A COMPANY, IT WOULD LIKE TO BRING BACK HOME THE DOMICILE OF THAT COMPANY.

HOWEVER, THIS DID NOT MEAN IT WOULD COMPLETELY DISINVEST IN OTHER COUNTRIES.

THE PRIORITY WOULD BE TO USE THE RESOURCES OF THIS COMPANY TO STIMULATE GROWTH IN MALAYSIA ITSELF, HE SAID.

+THAT CAN BEST BE DONE BY HAVING THE COMPANY OPERATING FROM HERE,+ HE SAID.

ASKED WHETHER MALAYSIA WOULD CONTINUE TO ACQUIRE ASSETS THAT ARE IN FOREIGN HANDS, THE PRIME MINISTER REPLIED: +AS LONG AS THERE ARE ASSETS WE CAN BUY, WE WILL BUY BUT THERE WILL COME A TIME WHEN ALL FOREIGN ASSETS ARE ALREADY BROUGHT BACK AND WE STILL HAVE SOME MONEY LEFT.

+WE CAN EVEN BUY FOREIGN COMPANIES OPERATING HERE. I HAVE EXPLAINED THE OTHER DAY THAT THE FACT THAT SOMEBODY INVESTS IN THIS COUNTRY AND HAS A 100 PER CENT OWNERSHIP DOES NOT MEAN WE CANNOT BUY THAT FOREIGN COMPANY,+ HE SAID. -- BERNAMA MORE 1655/1B

NO43: (F)
MAHATHIR-BRITISH 9 KUALA LUMPUR

+IF THEY ARE UP FOR SALE WE WILL BUY. AFTER ALL, THE ARABS AND MOST OTHER PEOPLE ARE BUYING.+

+AT ONE TIME, THE JAPANESE WERE BUYING BRITISH COMPANIES AND AMERICAN COMPANIES, SO WHY CAN'T MALAYSIANS BUY? WE ARE LIKE ANYBODY ELSE.+ -- BERNAMA 1657/1B