

MAHATHIR - BANK BUMI  
(EMBARGO: FOR RELEASE AT 5 P.M. JULY 15)

BY REJAL ARBEE AND ABDUL RAHMAN SULAIMAN

1983

KUALA LUMPUR, JULY 15 (BERNAMA) -- DATUK SERI DR. MAHATHIR MOHAMAD HAS WARNED THAT THE GOVERNMENT WILL NOT HESITATE TO TAKE ACTION AGAINST ANYONE IF ANY MALPRACTICE IS INVOLVED IN AFFAIRS OF THE HONG KONG SUBSIDIARY OF THE BANK BUMIPUTRA, BUMIPUTRA MALAYSIA FINANCE LIMITED.

+WE WILL DEFINITELY TAKE ACTION IF THERE IS ANY PROOF OF THIS,+ HE SAID IN REPLY TO A QUESTION AS TO WHETHER OR NOT THERE WAS ANY EVIDENCE OF CORRUPT PRACTICE INVOLVED.

HE SAID THE PRIORITY NOW WAS TO RECOVER THE LOSSES INCURRED BY THE COMPANY AND NOT TO METE OUT PUNISHMENT.

ADMITTING THAT THERE WAS A MISTAKE ON THE PART OF THE BMF IN THAT IT HAD INVESTED A HUGE AMOUNT OF MONEY ON ONE SECTOR, DATUK SERI DR. MAHATHIR SAID THE PROBLEM WAS THE RESULT OF THE COLLAPSE IN THE PROPERTY MARKET IN HONG KONG.

+IT DOES NOT AFFECT BANK BUMIPUTRA ALONE. ALMOST ALL BANKS IN HONG KONG ARE AFFECTED,+ HE SAID. -- MORE 0915/MB

ZCZC NO26 (F/S)

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HOWEVER, HE HINTED THAT SOME ELEMENTS WERE PURPOSELY SINGLING OUT BANK BUMIPUTRA FOR REASONS KNOWN ONLY TO THEMSELVES.

+JUST BECAUSE WE ARE BANK BUMIPUTRA, SOME PEOPLE ARE IN THE HABIT OF FOCUSSING THEIR ATTENTION ON US.+

+I CAN TELL YOU THAT ALMOST ALL BANKS IN HONG KONG ARE AFFECTED, SOME MORE THAN BANK BUMIPUTRA,+ HE ADDED.

ON A SUGGESTION THAT THE BANK WAS SINGLED OUT BECAUSE IT WAS GIVING MORE LOANS TO THE CHINESE IN HONG KONG THAN TO BUMIPUTRAS IN THE COUNTRY, THE PRIME MINISTER SAID THE BANK HAD BEEN RESTRUCTURED SINCE HE TOOK OVER PRECISELY BECAUSE HE DID NOT WANT TO SEE THAT HAPPENING.

HOWEVER, HE FELT THAT PEOPLE WERE ALWAYS WISE AFTER AN EVENT.

+NOONE COMPLAINED BEFORE. BEFORE WE WERE VERY HAPPY THAT BANK BUMIPUTRA BECAME THE 200TH (LARGEST) IN THE WORLD.

-- BERNAMA 0920/MB