

D617

B ED74 AAE
MAHATHIR-MAKUWASA
BM

KUALA LUMPUR, SEPT 18 (BERNAMA) -- UMNO PRESIDENT DATUK SERI DR MAHATHIR MOHAMAD TODAY CRITICISED SOME MALAYSIANS WHO BLEW UP THE PROBLEMS OF MAKUWASA -- A FULLY-OWNED GOVERNMENT COMPANY -- AND BUMIPUTRA MALAYSIA FINANCE BUT REMAINED SILENT OVER SCANDALS PERPETRATED BY NON-BUMIPUTERAS.

HE CITED AS AN EXAMPLE HOW THE MISAPPROPRIATION OF THE FUNDS OF TWO HONG KONG BANKS BY SEVERAL MALAYSIAN BANKERS, NOT FROM BANK BUMIPUTRA, HAD TARNISHED THE REPUTATION OF MALAYSIANS IN THE BRITISH COLONY BUT NO ONE MADE A NOISE ABOUT IT.

THE CARRIAN AFFAIR WHICH CAUSED MORE THAN 100 BANKS TO LOSE MONEY ELICITED NO REACTION EITHER, HE SAID WHEN OPENING THE UMNO GENERAL ASSEMBLY HERE.

+WHY WAS BANK BUMIPUTRA (THE BMF PARENT COMPANY) SINGLED OUT? WAS IT BECAUSE IT WAS A SCANDAL OR WAS IT BECAUSE BUMIPUTERAS WERE INVOLVED? WAS IT BECAUSE SOME PEOPLE DID NOT LIKE TO SEE THE BUMIPUTERAS SUCCEED? OR WAS IT BECAUSE THEY WANTED TO GLOAT OVER THE FAILURE OF THE BUMIPUTERAS?+

DATUK SERI DR MAHATHIR SAID THE PAN-ELECTRIC INDUSTRIES SCANDAL RESULTED IN THE LOSS OF \$16 BILLION AMONG MALAYSIAN CHINESE BUT THE REACTION WAS NOT AS VOCAL AS THAT WHICH GREETED THE BMF CASE. -- MORE 1700MST 18 09 86

D673

B E107 AAE
MAHATHIR-MAKUWASA 2 KUALA LUMPUR

+WHY DIDN'T THE OPPOSITION CONSIDER IT A SCANDAL? WAS IT BECAUSE IT WASN'T ENGINEERED BY BUMIPUTERAS?

+IN MY VIEW, IT IS NOT THE LOSS OF MONEY THAT MATTERS TO THEM, IT IS THEIR CHAUVINISM AND RACIALISM THAT MOTIVATE THEM.+

ON THE PROBLEMS OF MAKUWASA, DATUK SERI DR MAHATHIR SAID AMONG THE COMPANY'S AIMS WAS TO SELL THE GOVERNMENT'S TIN STOCK TO OFFSET THE LOSSES RESULTING FROM THE ACTIONS OF THE LONDON METAL EXCHANGE.

HE SAID THE SHARES TRANSFERRED FROM THE EMPLOYEES PROVIDENT FUND (EPF) TO MAKUWASA WERE THOSE RESERVED FOR BUMIPUTERAS AND WHOSE PRICES WERE WELL BELOW THE MARKET VALUE.

THE EPF COULD NOT HOLD SHARES MEANT FOR BUMIPUTERAS AS IT WAS NOT A RECOGNISED BUMIPUTERA BODY, HE SAID.

THE SHARES ALLOCATION MADE TO THE EPF WAS SOLELY FOR THE PURPOSE OF TRANSFER TO MAKUWASA UNDER WHICH THE PROFITS WOULD GO TO THE GOVERNMENT. -- MORE

1834MST 18 09 86

0675

B E109 AAE
MAHATHIR-MAKUWASA 3 KUALA LUMPUR

STRESSING THAT NO INDIVIDUAL GAINED PERSONALLY FROM THE DEAL, DATUK SERI DR MAHATHIR SAID THE GOVERNMENT ACTION WAS TO RESCUE THE TIN INDUSTRY.

MANY TIN MINES THAT SHOULD HAVE GONE BANKRUPT WERE GIVEN A NEW LEASE OF LIFE AS A RESULT OF THE MOVE.

HE SAID IF NOT FOR LONDON'S UNDERHANDEDNESS IN CHANGING REGULATIONS TO PROTECT LME MEMBERS, THE GOVERNMENT WOULD NOT HAVE SUFFERED LOSSES AND THE QUESTION OF GOVERNMENT INTERVENTION IN MAINTAINING THE TIN PRICE WOULD NOT HAVE BEEN RAISED.

DATUK SERI DR MAHATHIR SAID HE WAS AWARE THE DAP WANTED TO TURN THIS MATTER INTO A SCANDAL AND CHALLENGED THE PARTY TO MAKE A REPORT IF IT HAD PROOF THAT GOVERNMENT LEADERS OR OFFICERS WERE CORRUPTED.

HE ALSO SPOKE ABOUT MANIPULATION IN THE COMMODITIES MARKET WHERE PALM OIL PRICES HAD PLUNGED, AND MALPRACTICES IN COOPERATIVE SOCIETIES. -- MORE

1837MST 18 09 86

0676

B E110 AAE
MAHATHIR-MAKUWASA 4 KUALA LUMPUR

THE END RESULT WAS THAT THE MALAYSIAN ECONOMY DECLINED AND FOREIGN INVESTOR CONFIDENCE IN THE COUNTRY WAS SHAKEN, HE SAID.

+WHO IS RESPONSIBLE? THE KAMPUNG PEOPLE? THE NEW ECONOMIC POLICY? OR THE URBAN PEOPLE -- THE PEOPLE WHO ARE SO READY TO CRITICISE OR BLAME THE GOVERNMENT, WHO ARE SO WORKED UP THEY WANT TO SEE THE BARISAN NASIONAL TOPPLED.+ -- BERNAMA

1838MST 18 09 86