

D354

U E351 AAE  
MAHATHIR-BANKS

(EMBARGO: FOR RELEASE AFTER 2230 HRS TODAY, AUG 28)

KUALA LUMPUR, AUG 28 (BERNAMA) -- DATUK SERI DR MAHATHIR MOHAMAD TONIGHT CALLED ON BANKS TO SET UP SPECIAL DEPARTMENTS TO PROMOTE FOREIGN INVESTMENT IN THE COUNTRY AND TO ADVISE LOCAL ENTREPRENEURS AND HELP THEM UNDERTAKE JOINT VENTURES WITH FOREIGN INVESTORS.

THE PRIME MINISTER SAID THE BANKS SHOULD PLAY A GREATER ROLE IN ENCOURAGING FOREIGN INVESTORS TO SET UP PLANTS, ADDING THAT THE BANKS +COULD NOT JUST LEND MONEY+.

+BANKERS IN THIS COUNTRY ALSO HAVE A DUTY TO CORRECT THE ERRONEOUS IMPRESSION CAUSED BY IRRESPONSIBLE AND MALICIOUS REMARKS BY SOME MALAYSIANS. BANKERS ARE PEOPLE OF INTEGRITY. THEY MUST PROPAGATE THE TRUTH ABOUT THEIR COUNTRY,+ HE ADDED.

DATUK SERI DR MAHATHIR WAS SPEAKING AT THE ANNUAL DINNER OF FINANCE INSTITUTIONS HERE TONIGHT.

THE PRIME MINISTER SAID HE WAS INCLINED TO AGREE WITH A RECENT REMARK BY TRADE AND INDUSTRY MINISTER DATIN PADUKA RAFIDAH AZIZ THAT MALAYSIANS WERE THEIR OWN WORST ENEMIES. -- MORE  
2006MST 28 08 87

U E352 AAE  
MAHATHIR-BANKS 2 KUALA LUMPUR (EMBARGO)

+WHO TELLS FOREIGN INVESTORS THAT THERE IS TENSION IN THE COUNTRY? THE MALAYSIANS.

+FOREIGN INVESTORS TELL ME FREQUENTLY THAT THEY HAVE BEEN TOLD BY MALAYSIANS THAT THE CHINESE ARE JUST ABOUT TO REVOLT AGAINST THE GOVERNMENT

-- NOT IN SO MANY WORDS, OF COURSE, BUT THAT IS THE IMPLICATION,+ HE ADDED.

THE FACT THAT THE MAJORITY OF THE CHINESE HERE WAS LOYAL AND WANTED STABILITY WAS IGNORED, HE SAID, ADDING THAT THE CONSEQUENCE WAS THAT FOREIGNERS LOST FAITH IN MALAYSIA AND MALAYSIANS OF ALL RACES SUFFERED.

HE ALSO TOUCHED ON THE GOVERNMENT'S EFFORTS TO ENCOURAGE THE MANUFACTURING SECTOR AND URGED OTHERS, ESPECIALLY BANKS, TO HELP PARTICULARLY THOSE WHICH WERE EXPORT-ORIENTED.

HE ADVISED THE BANKS NOT TO BE +TOO READY TO PULL FROM UNDER THE FEET+ OF MANUFACTURERS WHO LOOK LIKED THEY WERE GOING TO FAIL. -- MORE

2008MST 28 08 87

U E353 AAE  
MAHATHIR-BANKS 3 KUALA LUMPUR (EMBARGO)

KNOWING THAT COMMODITY PRODUCTION WAS NOT ALWAYS PROFITABLE, HE SAID, A DECISION TO GO INTO MANUFACTURING WAS NOT AS A SUBSTITUTE FOR THE MINING OR PLANTATION SECTOR BUT AS A HEDGE AGAINST THE VAGARIES OF COMMODITY PRICES.

+MANUFACTURING IS NOT EASY AS WE HAVE NO NEW PRODUCTS OR PROCESSES TO GIVE US ADVANTAGES,+ HE SAID, ADDING THAT COMPETITION WAS FIERCE AND THUS ENTREPRENEURS NEEDED SUPPORT AND ENCOURAGEMENT FROM ALL.

THE PRIME MINISTER SAID THAT TOO OFTEN MALAYSIAN ENTREPRENEURS HAD BEEN MOSTLY OF THE +HIT-AND-RUN+ VARIETY WITH LONG-TERM DESIRES TO HAVE SHORT-TERM PROFITS.

+CONSEQUENTLY, WE SEE LITTLE OR NO COMMITMENT TO THE FUTURE, ONLY SHODDY PRODUCTS IN MOST CASES THAT HAVE GREAT DIFFICULTY IN SUCCESSFULLY COMPETING ABROAD,+ HE SAID, POINTING OUT TO A NUMBER OF BUSINESSMEN WHO HAD BEEN +WIPED OUT+ BY RECESSION.

ANOTHER REASON WHY MALAYSIA SEEMED INCAPABLE OF PRODUCING ENTREPRENEURIAL GIANTS, HE SAID, WAS THAT +LIFE IS SOFT HERE, NO GREAT EFFORT IS NEEDED TO DEVELOP ESTATES OR HOUSING PROJECTS OR DIG FOR TIN+, COMPARED WITH COUNTRIES WITHOUT RESOURCES WHERE CHALLENGES WERE GREATER AND THOSE WHO ROSE TO THESE CHALLENGES HAD THE QUALITIES FOR THE MAKING OF GOOD ENTREPRENEURS. -- MORE  
2010MST 28 08 87

D357

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MAHATHIR-BANKS 4 KUALA LUMPUR (EMBARGO)

ASKING THE BANKS TO BECOME CUSTODIANS OF +MALAYSIA'S TINY POOL OF ENTREPRENEURIAL TALENT+, THE PRIME MINISTER STRESSED THAT THE FATE AND SURVIVAL OF THE ENTREPRENEURIAL TALENT DEPENDED ON BANKERS.

IN A RECESSION, HE SAID, LOSSES WERE INEVITABLE TO THE ENTREPRENEUR AS WELL AS THE BANKER.

WHAT WAS IMPORTANT, HE ADDED, WAS NOT THE LOSSES -- HOWEVER PAINFUL THESE MIGHT BE -- +BUT WHETHER THEIR BACKERS AND BANKERS CAN SEPARATE THE MEN FROM THE BOYS+.

BANKERS MUST HAVE FORESIGHT AND MUST NOT FORECLOSE EVERY PROJECT MERELY BECAUSE THEY HAD NON-PERFORMING LOANS, HE SAID.

BANKRUPTING ALL ENTREPRENEURS SIMPLY BECAUSE THE RECESSION HAD RENDERED THEM INCAPABLE OF SERVICING THEIR LOANS WOULD NOT HELP ANYONE, NEITHER THE BORROWER NOR THE BANK NOR THE NATION, HE ADDED.

-- BERNAMA

2012MST 28 08 87