

CNS8199

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MAHATHIR WARNS OF ACTION AGAINST MALAYSIAN BUSINESSMEN WHO CHEAT

Mahathir-Businessmen

From Abdul Rahman Sulaiman

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(P) over sea

HO CHI MINH CITY, April 23 (Bernama) -- Prime Minister Datuk Seri Mahathir Mohamad today warned that the government will not hesitate to take action against Malaysian businessmen found cheating their foreign partners to make a quick buck.

Such bad deeds, if any, would undoubtedly tarnish the country's image abroad and prejudice the chances of genuine businessmen to expand their ventures overseas, he added.

It would also thwart the government's efforts to encourage Malaysian businessmen to venture beyond the country's shores, he said in response to questions by Malaysian journalists on the possibility of such irresponsible behaviour among Malaysian businessmen eager to invest in Vietnam.

Dr Mahathir said insofar as the 107 businessmen now accompanying him on his visit to Vietnam, he had specifically told them at a briefing in Kuala Lumpur prior to departure that they should not come along to make a quick buck. -- more

▼23/04/15-44MST

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Their investments in Vietnam were to be a permanent one to complement government efforts to help in the process of Vietnam's economic reconstruction, he added.

+I told them that if they break any law here and return home, we will not protect them. We will send them back here to face the music,+ he said.

Asked why Malaysian investments in Vietnam were still negligible compared that from other Asean countries although Vietnam launched its open door policy in 1986 and began introducing specific incentives in 1988, the Prime Minister agreed that Malaysians were slow in identifying the potentials.

He said: +The whole trouble with our businessmen is that they are always slow compared to the others. They always wait for the government to take the initiative.

+Some of the Malaysian products are being exported here by our neighbouring countries.+

However, he was confident that they would be more aggressive in time to come. -- more

▼23/04/16-43MST

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Dr Mahathir said, as of now, Malaysians were already going to the Latin American countries and several other countries where once they were reluctant to go.

+There are already Malaysians investing in Angola,+ he added.

Asked what seemed to be the general apprehension on the part of Malaysian businessmen with regard to Vietnamese land tenure, he said this could be due to the perception in Malaysia where land title was often regarded as of prime importance.

In Vietnam, land belonged to the state and it could only be acquired through a lease of a specific period ranging from 13 to 15 years, or in a special cases, up to 50 years for specific purpose, he added.

If it was no longer of use for the purpose it was allotted, Vietnamese law required it to be returned to the government.

This was done because the Vietnamese authorities did not want people to use the property for speculative purposes.

Dr Mahathir said Vietnamese land tenure was not much different from that in Malaysia. -- more

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He added: +We have also stopped allotting land on permanent freehold title. We only issue 99-year lease at most.

+The only difference, perhaps, is in the period of lease and the fact that in Malaysia the land can be sold or mortgaged but here one cannot do that.+

The Prime Minister said there should not be so much fuss over the land tenure issue.

If others could invest in Vietnam under the same set of land laws, he did not understand why Malaysians could not do so.

During dialogues with Vietnamese authorities over the last few days here and in Hanoi, several Malaysian businessmen raised this issue and identified the Vietnamese land laws as a possible hinderance to establishment of foreign enterprises here.

Dr. Mahathir said he could not understand why this should be regarded as a major issue. -- more

▼23/04/17-20MST▼

CNS8336

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He said if others could invest here much earlier and under a similar set of rules without specific support from their governments, he saw no reason why Malaysian businessmen, who had all the support and encouragement from the government, could not do the same.

He had no doubts about the sincerity of the Vietnamese government in wanting to attract foreign investments, he added.

The Vietnamese, he said, highly valued relations with Malaysia which they see as the correct model of development for them.

They now realised that the model they learned from the former Soviet Union and pursued all this while was not going to work, he added.

As such, they had now adopted the free enterprise system economically, while retaining the Socialist system politically.

Under such circumstances, the Prime Minister said, Malaysians were in a more advantageous position than the rest. -- Bernama

▼23/04/17-21MST▼