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PM: HIGH MORAL STANDARDS NEEDED IN CHECKING CRIME

GENTING HIGHLANDS, April 27 (Bernama) - Prime Minister Datuk Seri Dr Mahathir Mohamad today said high moral and ethical standards were necessary to check crimes in any society.

"Invariably when moral and ethical standards are low, not only will crimes spread but the capacity of such a society to succeed and to prosper will also be very limited," he said.

"Sooner rather than later such a society will destroy itself."

The prime minister made these remarks when he opened a two-day seminar on "Business ethics : leadership and corporate responsibility" here.

The seminar was organised by PNB Corporate Development Sdn Bhd, a management consultancy firm of Permodalan Nasional Bhd, and The Harvard Club of Malaysia in collaboration with The Harvard Business School.

Saying that he had always regarded the subject crucial to the well being of the Malaysian society, Dr Mahathir said Malaysians must appreciate that the strength in any society lay in its ability to weave its moral and ethical standads into its cultural fabric and to make them the bases of both its economic and social struggles.

He said: "Some of us, based on family upbringing, religious beliefs and education may be conscious of the need to evaluate the rights and wrongs of particular situations.

"Some may be so blinded by the rewards presented that they become quite unable to distinguish the good from the bad.

"Excuses can always be conjured up and justification made in order that the moral and ethical values are relegated to the background.

"The first time is usually the most difficult. But once moral scruples are overcome, forgetting all the good values become easier after."

Dr Mahathir said each society differed in its interpretation of some of the finer points of moral and ethical standards but the fundamentals of morality and ethics were universal in nature and they were generally accepted as having the same good effects on society irrespective of the differences in ethnicity, culture and religion.

The prime minister said in the increasingly liberal world that one lived, the role of morality and ethics had become even more important.

He added: "This is so because liberalism reduces the rigidity of rules, customs and laws which in the past regulate our behaviour .

"Rules and laws are now regarded as incompatible with the exercise of freedom in democratic societies. But without rules and laws, there is a danger of society become anarchic."

Saying that de-regulation was a by-word these days, he added that it was now felt that more and more regulations should be done away with.-- More

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PM: HIGH MORAL 2 GENTING HIGHLANDS

As a result, in the field of business there had been unprecedented and rapid de-regulation and liberalisation of the capital markets; internationalisation of banking which permitted instant movement of money across national boundaries; rapid development of new financial instruments to support international business transactions and movement of goods and services; and the increasingly rapid pace of securitisation within the region.

All this, Dr Mahathir said, would increase opportunities for fraudsters to make increasingly bigger "kills" or to conduct "raids" on the financial market.

More and more commercial crimes were being committed by increasingly sophisticated individuals well-versed in the intricacies of the markets and the conduct of business, he said.

Dr Mahathir said because vast sums of money were involved, the temptation to commit this kind of crime was very great and even respectable bankers and businessmen could not be presumed to be beyond such temptation.

Saying that professional criminals often operated as syndicates, recent intelligence and experience revealed that their operations had even penetrated government agencies, financial institutions and banks.

He said counterfeiting had been developed into an art while the fraudulent manoeuvres of these criminals were so "professional" that the unsuspecting victims only realised that they had been defrauded long after huge amounts had been passed or used.

The prime minister said generally "economic crimes", which covered business and commercial crime and all fraudulent operations conducted to the detriment of individuals or society, seriously affect the economy of many countries.

Given this potentially crippling effect on society, it was crucial that such criminals were brought to justice as quickly as possible.

In the Malaysian context, he said commercial crimes include among others, corporate fraud, insider trading and credit card fraud.

Although the size of commercial crime in terms of the number of cases was small, he said the cost in terms of dollars and cents (rpt dollars and cents) and the socio-economic costs could be extremely damaging.

Lapses of good moral and ethical practice in business must not therefore be regarded as normal and not serious, he said,

Hence, Dr Mahathir said there was a need to educate and instill a high strong of morality so that the public would be able to distinguish what was right and wrong and to reject unequivocally what was wrong.--Bernama