

PM: We're disappointed over British Government's silence

KUALA LUMPUR, Tues. — Prime Minister Datuk Seri Dr Mahathir Mohamad said tonight the Malaysian Government is disappointed over the British Government's silence on the lies spread by the irresponsible British mass media.

He said the British Government also did not act well to deny or give a true explanation on the claims by the irresponsible media in that country that the leaders of the Malaysian Government were corrupt.

British newspapers recently attacked Dr Mahathir and other Malaysian leaders, alleging they had received pay-offs for approving privatised projects to British companies.

Dr Mahathir, however, said that the Malaysian Government had no quarrel with the British Government and British companies when it decided not to offer any new contracts to British companies, *Bernama* re-

ports.

"We have no quarrel with the British Government and also have no quarrel with any company....we are only angry with the British Press and we have no way of taking action against the British Press," he said when breaking fast with Umno Youth leaders here tonight.

Dr Mahathir said the Government was constantly monitoring every development and foreign newspaper reports on Malaysia to know what they were saying about this country.

He said newspapers in any part of the world had the freedom to report the truth but it did not mean that they had the right to tell lies and make sweeping reports on any particular matter particularly against developing countries.

"Free to tell lies is not a right of the Press, free to report the truth...yes," he said, adding that, "We also have no quarrel with John

Major but with Press freedom in that country."

On claims that the British Government gave aid for the RM1 billion Pergau hydro-electric dam project in Kelantan, Dr Mahathir explained that the amount was actually not an aid but a loan given at the minimum interest rate of 0.08 per cent.

He said the loan was not received by the Malaysian Government but was paid to the company involved in the project.

"The money did not go into the pocket of the Prime Minister or any other Minister, we only borrowed to pay the company, Balfour Beatty," Dr Mahathir said.

He also said that the British Government's aid was actually aimed at helping British companies secure contracts and not to help the Malaysian Government.

He said most British companies gave higher quotations than other foreign companies and to help Bri-

tish companies, the British Government gave aid to them.

On the claim that a British construction company, Wimpey Group, paid US\$50,000 (RM135,000) to Dr Mahathir to get a contract for an aluminium smelter, the Prime Minister said Malaysia had no proposal to set up such a project.

"We have no project for such a plant, the Government also does not have and the private sector also does not have," he said.

He said it would have been stupid for Wimpey to have paid money for a non-existent project.

As of now, the Malaysian Government had only stopped giving Government contracts and did not propose to take other actions.

He said Malaysian students would continue to be sent to that country for studies, adding that "next time if rudeness prevails, then other action will be

contemplated."

Earlier, Umno Youth head Tan Sri Abdul Rahim Tamby Chik said the movement fully supported the Government's action and urged the Government to be firm with its decision.

He said the Government should also adequately brief Asean countries on the matter to ensure that they did not have a bad impression of this country.

Meanwhile, Deputy Prime Minister Datuk Seri Anwar Ibrahim said the Cabinet would discuss at its weekly meeting tomorrow possible retaliatory measures by Britain following Malaysia's decision to deny British companies government projects.

He said there had lately been calls in Britain that it retaliate against Malaysia's action.

The Cabinet will also discuss a newspaper report in Britain that suggested British authorities, such as the

police, should not buy the Proton Saga, Anwar told reporters after launching Bon Mudharabah Cagamas at Bank Negara today.

He dismissed the possibility that any retaliatory measures by Britain could involve the European Union.

Some members of the ruling Conservative Party in Britain have called for trade sanctions against Malaysia under the auspices of the European Union.

"I don't think that will happen," he said.

Anwar said he suspected that Mr Rupert Murdoch, who owns the Times group of newspapers, could be one of the media barons responsible for waging the newspaper campaign suggesting that Prime Minister Dr Mahathir Mohamad was corrupt.

He said this was because the current attacks on Dr

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Government urged to sue Murdoch for libel

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Mahathir were especially hard in Murdoch-controlled newspapers such as the *Times*.

Dr Mahathir had voiced his dissatisfaction at Murdoch's purchase of Hong Kong-based STAR TV last August, suggesting that he, together with other Western-controlled media, might intrude into the domestic affairs of Asian countries with their media tools.

He said newspapers in Britain were not free but were subjected to the bidding of their rich owners.

Murdoch's News Corp Inc bought a 63.6 per cent stake in the satellite-based station for US\$525 million. The station transmits five channels all day long, and is said to reach 42 million homes in 53 countries across Asia and the Middle East.

The Australian-born media baron was also said to have in his control about 40 per cent of the British media and 60 per cent of the Australian media. He also owns half of the satellite-based British Sky Broadcasting network or Sky Channel.

Meanwhile, the Federation of Malaysian Manufacturers is confident that business ties between the Malaysian and British private sectors would continue to remain normal.

Its executive director, Tan Keok Yin, said the decision by the Government to stop awarding new contracts to British companies involving Government aid or assistance should not spill over to other areas.

"The important thing is not to blow things out of proportion," Tan said.

"It is an isolated incident and should not impair overall business and bilateral trade.

"If allowed to escalate, it may have an adverse effect on us all."

Speaking to reporters after a briefing on FMM's seventh Malaysian International Fair 1994 and first International Furniture Fair Malaysia 1994 at the Kuala Lumpur Hilton, he said the Government's decision was intended to "drive home a point to the British" but other than that, private business links should be able to continue.

FMM Trade Fair committee chairman Francis Huang said the Malaysian International Fair, which has already let out 60 per cent of its floor space, would be open to all companies from all countries.

Teddy Williams, an author who has been in Malaysia for the past four years, said he believed that Murdoch was behind the move by British newspapers to make the allegations of corruption.

He said the Malaysian Government and especially Dr Mahathir should sue Murdoch for libel.

He added that ordinary people should not suffer from the Cabinet decision and added that "business should be allowed to go on". "I feel the Government's action must be specific and this should include taking action against those who propagate these allegations," he said.

In **Kangar**, members of the Backbenchers' Club, scheduled to visit London on a study tour later this month, have decided to cancel the trip.

Its chairman, Shahidan Kassim, said about 30 members had decided to visit Paris and probably another European country instead.

The club members were

scheduled to visit London and Paris on a study tour organised by the club and the Inter-Parliamentary Union. Shahidan, who is also the MP for Arau, said the club supported the Cabinet decision as the British media had tarnished the image of Malaysian leaders.

"The club urges the Government to be firm and not to give special treatment to any British companies regardless of recommendations from high-level people," he added.

In **Kuching**, Chief Minister Tan Sri Abdul Taib Mahmud said the British Press had to learn to respect others if they expected others to respect them.

He said it was sad that the British media had wrecked the good relations between two countries.

Deputy Chief Minister Tan Sri Dr Wong Soon Kai said business in Sarawak would not be disrupted by the Cabinet decision.

He said the two major State development projects with British participation — the new Sibu airport and the Miri hospital — would not be affected since they were nearing completion.

In **Kota Kinabalu**, the Sabah Barisan Nasional criticised the British media for its reports against Malaysian leaders.

Its chairman, Tan Sri Sakaran Dandai, said the media in Britain should work to enhance the close bilateral ties instead of trying to sour the relationship.

United Sabah Bajau Association president Datuk Mohd Salleh Tun Said also came out in support of the Government's decision, saying the Western media should learn to respect people who had gained independence.