

PM chides foreign critics of corporate governance

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SERDANG, Fri: Datuk Seri Dr Mahathir Mohamad said today critics of Malaysia's corporate governance practices are only trying to sensationalise the issue and put Malaysia in a bad light.

The prime minister said these people are "looking for evidence that this country is really backward, that we don't know how to run companies and that we know nothing about management."

Mahathir was commenting on doubts raised over the

handling of the RM3.2 billion United Engineering Malaysia Bhd/Renong Bhd put option deal.

The past week has seen shareholders and stock analysts grumbling and criticising UEM's decision to allow Tan Sri Halim Saad to defer payment on the put option. Negative reaction to it had caused share prices of both companies to fall sharply.

Both companies are run by Halim.

Mahathir said weaknesses

are likely to emerge in companies that have gone through recession and are a common phenomenon.

"You must remember that we went through a very terrible recession. I don't think that this is because of crooks ... crooks and corrupt people are all over the world."

Mahathir said the countries which criticise Malaysia's corporate governance practices are themselves troubled, adding "they can't even conduct elections properly".