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MAHATHIR-CORPORATE

CURRENCY TRADERS ALSO HAVE POOR CORPORATE GOVERNANCE, SAYS PM

SERDANG, Dec 15 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today said criticisms over alleged poor corporate governance in Malaysia should instead be directed at currency traders who are not at all transparent in terms of their conduct.

"If anybody goes through a period of recession like we went through, you are going to find some weaknesses in corporate governance," he told a press conference after presenting a MS ISO 9001 certificate to Universiti Putra Malaysia's Veterinary Faculty here.

Dr Mahathir stressed that "the recession was caused by other people who have no morals, no corporate governance at all and who are not at all transparent."

On currency traders, he said, "We don't know what they are doing and so the criticisms (on corporate governance) should be directed at them (instead)."

The prime minister said this when commenting on criticisms that Malaysia has a long way to go in corporate governance after the recent United Engineers Malaysia (UEM) and Renong deals.

Sentiment on the Kuala Lumpur Stock Exchange was affected last week when UEM extended the deadline to Renong's executive chairman, Tan Sri Halim Saad, for the payment of the put option by 15 months for a buyback share agreement.

The market was affected over the fact that UEM had given Halim another 15 months to buy a 32.3 percent stake in Renong from UEM for RM3.17 billion despite assurances that his original pledge would be honoured.

Halim controls both Renong and UEM.

Dr Mahathir said even if the U.S were to go through a similar period of recession, "you will find that a lot crooks would certainly surface."

He said this was a very common phenomenon.

But he felt that that corporate proposals in any country were not crooked deals but because stress was imposed on some good companies during bad times.

"During bad times, things would surface and may sound not right. If they are doing well, nobody will make any comment," he added.

When asked whether criticisms on corporate governance in Malaysia had something to do with overpublicity and interest given to corporate deals involving big companies, Dr Mahathir said, "That's part of it."

"I think people are looking for sensation."

Dr Mahathir said people were looking for evidence that Malaysia was really backward and that the government did not know how to run the country.

"These people also want to prove that Malaysians know nothing about management and that they (Malaysians) are crooks and corrupt people," he added.

"But there are crooks and corrupt people all over the world. If you do a study, you will find some of the countries which are very critical of us are even worse, even elections cannot be conducted properly," he said. --

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