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Foreigner may be appointed to run MAS, says Dr M

Ramlan Said

KUALA LUMPUR, Mon. - Malaysia Airlines may appoint a foreigner as chief operating officer as it needs someone with technical knowledge of running an airline, Datuk Seri Dr Mahathir Mohamad said today.

The Prime Minister said running an airline was not the same as managing a petroleum company or the economy.

"We may get a foreigner or somebody who is knowledgeable (in running an airline)," he said after opening an international conference on globalisation at the KL Hilton.

Dr Mahathir said this when asked whether the rehabilitation of MAS would be carried out solely by new chairman Tan Sri Azizan Zainul Abidin and managing director Datuk Md Nor Md Yusof or foreign help would be sought.

The Prime Minister also pointed out that Azizan and Md Nor, appointed on Feb 15, came from the petroleum industry and the Treasury, respectively.

Azizan is chairman of Petronas and president of Putrajaya Corporation while Md Nor was the adviser to the Finance Ministry.

The Finance Ministry, which made the announcement on Feb 14, also said that the application by MAS chairman Tan Sri Tajudin Ramli to resign from his post had been accepted.

This follows the sale of his 29.09 per cent stake in the company held through Naluri Bhd to the Minister of Finance Inc for RM1.792 billion.

On whether progress had been made in MAS' bid to have a foreign partner, Dr Mahathir said the process was not easy as suitable companies had to be found and their terms studied.

When pointed out that a foreign airline reportedly engaged in negotiations with MAS had denied of any interest, Dr Mahathir quipped: "When you are negotiating something, you don't announce it to the world."

The Prime Minister was asked to elaborate on a point raised in his speech that the new round of World Trade Organisation talks should not be held until present grave imbalances were rectified and everyone could agree on the agenda and whether there was any time frame to this.

Dr Mahathir said developing countries, in the absence of any forum for them to hold discussions, needed more time to agree on the agenda. They also needed to study various proposals put to them.

"Therefore, I do not think that even at the end of the year the new round of talks would take place."

Dr Mahathir was also asked about Singapore's decision to enter into bilateral agreements with non-Asean countries.

The move, he said, had to be watched very carefully as it could be a kind of back door entry into the Asean Free Trade Agreement.

"Under Afta, it has been agreed that products with 40 per cent local content are considered as national products, enabling them to enter the market of other Asean countries.

"Therefore, it will be very easy for these (non-Asean) countries to bring in parts into Singapore and assemble the products there to enjoy the status of national products, which will then give them free access into Afta-member countries market."