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Dr Mahathir: No witch-hunt (HL)

Ramlan Said; P. Sharmini

SEPANG, Thurs. - Recent moves by the Government in the corporate sector were actually aimed at assisting troubled companies, and were not a witch-hunt against anyone, Datuk Seri Dr Mahathir Mohamad said today.

The Prime Minister said the main objective was to provide breathing space to certain big companies facing problems because of the 1997 financial crisis.

The Government had to acquire some of the troubled firms as funds could not be pumped into them if they remained private entities.

Dr Mahathir said this in his opening remarks at a Press conference at the Kuala Lumpur International Airport upon his return from London. Altogether, the Prime Minister was away for about one month.

He left on Feb 1 to attend the World Economic Forum in New York following which he and his delegation journeyed to the Antarctica from Feb 5 to 13. On Feb 23 he began a five-day working visit to Britain where he also held talks with Prime Minister Tony Blair.

Dr Mahathir said it was necessary to make these clarifications as Press reports of police investigations into alleged irregularities in Malaysia Airlines while under the care of Tan Sri Tajudin Ramli had created the impression that a witch-hunt against certain people was going on.

He said it was unfair of the Press to sensationalise the issue.

"That's why we took over. We felt these companies had adequate assets but they could not be realised to settle their debts. But the Government has the capability to resolve these debts."

Several troubled companies have come under the spotlight in recent weeks. During a dialogue with Malaysian students in London, Dr Mahathir was asked to shed some light on these companies.

He had told the students there was reason to believe that there could have been misappropriation of funds and mismanagement at Perwaja Steel and Malaysia Airlines. The latter was taken over by the Government last year.

He had said the authorities were investigating both companies and those responsible for any wrongdoing would face the consequences in court.

"But I would like to stress that the Government is not going after anyone," he said, adding that when currencies depreciated even companies in developed countries would face problems.

Dr Mahathir said the Government was confident that over a period of time, the assets could be realised either through the sale of the companies' subsidiaries or their shares which appreciated in value.

"We have considered all these ... that's why we took over. It is not a bail-out," he said.

Dr Mahathir said the Government was not trying to put the blame on anyone.

"In the case of MAS, let's wait for the result of the investigations. We are not attempting to plot the downfall of anyone because they have allegedly committed an offence. I hope there will not be any views that a witch-hunt against certain people is being carried out."

The Prime Minister made clear that he wanted to put this point across at the outset of the Press conference.

Dr Mahathir said the Government wanted to assist companies with national interests and those that provided jobs.

"If someone commits an offence, this is the responsibility of enforcement authorities."

On whether it was coincidental that the companies assisted were owned by Bumiputera businessmen with close links to the Government, Dr Mahathir said:

"All businessmen are linked to the Government. As you know, we are creating Bumiputera entrepreneurs, so we have to choose people we believe possess some capability.

"And because we choose them, they are regarded as friends of the Government, but we are friends of all Bumiputeras."

On the proposed National Ulama Consultative Council, he said, it would be established soon with members comprising "true scholars" and not those with a political agenda.

Asked about reports that 12 Malaysian students had been detained in Yemen, he said because of incidents such as this, the Government was looking into the possibility of requiring all those intending to study abroad to register with the Foreign Ministry.

The Prime Minister also said the Government was studying ways to discourage students from pursuing studies in countries such as Afghanistan where many, instead of learning about the religion, were taught other things like how to topple the Government.

He said the students were regarded as highly knowledgeable when they came home, but the truth was the opposite.

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