

Government launches fight on loan sharks
Malaysiakini.com
March 19, 2007

The government has launched an aggressive year-long campaign against illegal loan sharks and to educate the public on the consequences of borrowing from them.

A committee comprising five ministries, the police and a crime prevention foundation has been formed to fight illegal lenders, deputy Internal Security Minister Fu Ah Kiow said.

"The Ah Long menace has reached a worrying stage and they have become a public nuisance. We have to come down hard on them because it is getting out of hand," Fu told the Star daily. Ah Long is the local term for such lenders.

Loan sharks, who charge much higher interest rates than normal lenders, are accused of resorting to violent and criminal means to harass errant borrowers.

Under the one-year campaign, police will track down loan sharks who have been freely distributing their flyers and brochures.

Legal money lenders will also be closely monitored to ensure they comply with the rules and regulations on lending, Fu said.

The issuance of new money lending licenses will be frozen, while the Finance Ministry will consider providing micro-credit loans to Malaysians, he added.

In February, the government shot down police proposals to prosecute borrowers for going to loan sharks, deciding instead to tackle the lenders.

Copyright © 1999-2007 Mkini Dotcom Sdn. Bhd.
Source : <http://www.malaysiakini.com/news/64702>