

overseas development administration



Brand: Mehta Solutions

Product Code: case168

Weight: 0.00kg

Price: Rs500

Short Description

overseas development administration

Description

overseas development administration **CAST STUDY solution**

In mid-February 1994, the British paper, the Sunday times ran on article that alleged that a 1 billion sterling (\$ 750 M) sale of equipment by British companies to Malaysia was secured only after bribes had been paid to Malaysian government officials and after the

British overseas development administration (ODA) had agreed to approve a 234 million sterling grant to the Malaysian government for a hydroelectric dam of (according to the Sunday times) dubious economic value. The clear implication was that UK officials, in their enthusiasm to see British companies win a large defence contract, had yielded to pressures from “corrupt” Malaysian officials for bribes – both personal and in the form of the 234 million sterling development grants. What happened next took everyone by surprise. The Malaysian government promptly announced a ban on the import of all British goods and services into Malaysia and demanded an apology from British Government. Officially the ban applied only to government orders for British goods and services; the private sector was free to buy as it chose. However, British companies with experience in the region were nervous that the private sector would follow the government’s lead in shunning British products. At stake was as much as 4 billion sterling in British exports and construction activities in Malaysia and a presence in one of the world’s fastest growing developing economies (Malaysia’s economic growth has averaged 8% per annum since 1989). In announcing the ban, Malaysia’s Prime Minister, Dr Mahathir Mohammad, noted that the British media portrays Malaysians as corrupt because “ They are not British and not white” ...And “we believe the foreign media must learn the fact that developing countries, including a country led by brown Moslem, have the ability to manage their own affairs successfully”. The British government responded by stating, it could not tell the British press what and what not to publish, to which Dr Mahathir replied there would be “no contracts for British press freedom to tell lies”. At the same time, the British government came under attack from members of parliament in Britain, who suspected the government acted unethically and approved the ODA hydroelectric grant to help British companies win orders in Malaysia.

Questions:

1. If you are the CEO of a British company that now faces the loss of a lucrative contract in Malaysia because of the dispute. What action should you take?

2. How do you think British government should respond to the Malaysian action?

Details

1. Case study solved answers

2. pdf/word in 24-48 hrs

3. Fully Solved with answers