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Employees' violation of banking secrecy can't be tolerated

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POLITIC'S everywhere. Some are positive in nature, others are not. Today, politics also feature in mosques, surau, non-governmental organisations, associations, classrooms, barber shops, lecture halls and residents' associations.

The latest is that unethical politics has also invaded financial transactions in banks, regarded by all as an area where privacy is assured and secrecy is protected by law.

As a matter of fact, politics is indeed everywhere. There's no escaping it. Politics governs most of our lives, and those who make politics their lives are trying hard to make sure that politics enriches everyone's life, enhancing its quality along the way.

Individuals have their own political affinity. They can demonstrate their political preferences at the ballot boxes every five years, or thereabouts.

This is part of the democratic process and nobody can deny individuals this part of nation-building.

Malaysia has gone through 10 general elections, each bringing a certain measure of political maturity to the people.

But bringing unethical and unproductive politics to banking halls as exposed by Malacca Chief Minister Datuk Wira Mohd Ali Mohd Rustam recently is certainly not the kind of politicking that will please everyone.

It prompted Mohd Ali to announce that the State Government was withdrawing its fixed deposits of RM30 million from two commercial banks whose staff were said to be openly supporting the Opposition.

Leaking information about financial transactions is an offence under the Banking and Financial Institutions Act 1989 (Bafia). Under the Act, no employee, including the chief executive during his employment or thereafter, shall divulge or publish any information or document relating to the affairs or accounts of customers.

But this has certainly not discouraged the employees of the two banks said to be deeply involved in the controversy - Bumiputra Commerce Bank and Bank Islam.

They show no fear of the fact that those found guilty of breaching section 97(1) of Bafia are liable to a three-year imprisonment and/or a fine of RM3 million.

The strong warning issued yesterday by the guardian of Malaysian banks, Bank Negara Governor Tan Sri Ali Abul Hassan Sulaiman, could not have come at a better time. The governor warned all concerned that Bank Negara would not hesitate to prosecute anyone found to have breached the law.

In fact, if the central bank had been more alert and vigilant, and with the co-operation of the banks affected, it could have detected the irresponsible act of a few employees, take firm action against them, and allow the banks concerned to get on with their daily operations.

Preserving the institutions' integrity cannot be compromised in any way. The matter is serious enough to rouse the concern of the Prime Minister, who commented on it a few days ago. Datuk Seri Dr Mahathir Mohamad, while saying that it was difficult to act against the banks, said "the only thing the Government can do is not to have dealings with such banks".

"How do you trust a bank whose workers are against you and they have been known to reveal your secrets ... you keep money in the bank, they can take the cheque and copy it and put it on the Internet. The Government

cannot trust a bank which is like that," Dr Mahathir said. It's not just the Government who views this practice as bad. Everyone else does too. It can happen to anyone, regardless whether they have a big or small account, or they are local or foreign account holders. Where then is the secrecy that such institutions are supposed to honour and protect?

The two banks whose employees are said to be involved in this will have to seriously look into this breach of banking trust.

On a moral ground, financial transactions are sacred and secret and should not be disclosed other than to those directly involved or to the central bank. Even then, this is only allowed under certain legal provisions.

Such blatant disregard of banking ethics by these employees harms not only their careers but the banks' reputation and credibility as well.

Banks are there to serve the public, especially its customers.

The Government is just one its many customers.

There are investors too who choose a particular bank because of its prudent operations, sound management and banking policies.

A bank's reputation will also determine whether it will get business or be rejected outright.

Equally important, if not more than just the question of the banks' reputation, is that of the country.

Investor confidence can be easily undermined by unethical practices and lack of professionalism.

No matter what grounds these employees have by way of explaining their action, they cannot be accepted. They have brought embarrassment to themselves, the banks and the profession. It is simply intolerable.

It is truly shameful. Banks are supposed to exhibit a high degree of professionalism, which is why some are more preferred than others.

Against this background, Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi's advice that the employees concerned should quit their jobs is

most appropriate and logical.

Those guilty of such practices would be grossly misled if they believe that their act would further their political agenda in any way as they have shown their untrustworthy nature.

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