

Maybank U-turn due to 'Ijok effect'?
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Was the cabinet-ordered withdrawal of an alleged 'discriminatory' bank policy purely a political decision, posed Opposition Leader Lim Kit Siang.

Yesterday, government-controlled Malayan Banking Bhd (Maybank) withdrew an earlier requirement for its panel of solicitors to be at least 50 percent bumiputera-owned.

According to the Star today, the directive was reached after a cabinet meeting chaired by Prime Minister Abdullah Ahmad Badawi yesterday.

Today Opposition Leader Lim Kit Siang claim the withdrawal was expected and described it as the first casualty of the "Ijok effect".

He was referring to the Ijok by-election where it is perceived that there was swing of votes towards the opposition by the Chinese electorate.

"Although the BN had won the recent Ijok by-election in Selangor with BN trumpeting it as a great victory, BN leaders know that it is a pyrrhic victory won at too great a cost in money, manpower and machinery and which is not sustainable in a general election.

"This is why PM Abdullah Ahmad Badawi had asked MCA and Gerakan to explain the reason for the swing of Chinese voters to the opposition in Ijok," said Lim in a statement today.

Maybank: Based on merit

The main reason given by MCA thus far was that Chinese voters were unhappy with certain statements made by Umno leaders, particularly during last year's Umno general assembly.

The new Maybank requirement had received heavy negative publicity from business groups and professional bodies which had condemned the rule as discriminatory, anti-competition and unprofessional.

Chinese-based political parties such as MCA, Gerakan and opposition DAP had also voiced criticism over the move.

Maybank is controlled by fund manager Permodalan Nasional Bhd and is the largest banking group in Malaysia.

In a statement yesterday, Maybank said that it had reviewed the new policy based on concerns raised by various groups.

"Maybank would like to emphasise that the selection of solicitor firms would continue to be based primarily on performance, efficiency and merit," the statement said.

Another private bank embroiled in the controversy, Ambank Bhd, said in a separate statement that it does not practice racial quotas as a requisite for engaging legal firms.

"The group does appoint legal firms that do not have bumiputera partners. This policy has

been in place for more than two decades," it added.

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