

Germany's past anti-Jew policy inspired Dr M's banking reforms, says Sanusi
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KUALA LUMPUR, Oct 23 — Tun Dr Mahathir Mohamad was inspired by Germany's past policy of limiting Jewish financial influence to help the Malays but it was later thwarted by Datuk Seri Anwar Ibrahim, former Cabinet minister Tan Sri Sanusi Junid said today.

Sanusi told a Malay economic forum that Dr Mahathir and former Finance Minister Tun Daim Zainuddin were hoping that Malays would control the economy but when they saw progress was slow, they decided to follow the German example of not granting banking licences to Jews.

But the plan failed when Anwar became finance minister and approved two banking licences to non-Malay banking groups — Alliance Bank and Hong Leong Bank.

"We thought that if we can't control the economy, we would follow Germany," Sanusi said at the Malay Economic Congress here. "In Germany banking licences are not given to the Jews."

He said while pre-existing licences had been given to non-Malays, Daim made sure that all banks had Malay directors, which was important to ensure all banks had Malay influence.

"But unfortunately a huge disaster happened (kecelakaan besar); when Anwar became finance minister he approved banking licences for Alliance Bank and Hong Leong bank," he said. "We didn't want to give."

Sanusi said that as a result there are now "two non-Malay banks without Malay influence."

Malaysia's banking system was formerly largely controlled by the Chinese but many were taken over by or forced to merge with government-controlled entities.

The loss of Chinese-founded banking institutions is widely perceived by the Chinese community as of one of the ways they have been discriminated against under the guise of helping the Bumiputera community.

The Umno-led Barisan Nasional government however had previously maintained that direct intervention was required to uplift the Bumiputeras and that mergers would help create stronger banks that could withstand globalisation.

The Najib administration has said however that it will gradually liberalise the financial sector and any banking mergers should now be based on market forces.

Sanusi also said at the forum that Malays were unable to accumulate wealth as while they earned money, it was ultimately spent in non-Malay businesses.

"Who is rich? We are? Where is the money? There is none. It goes through the channels of non-Malays. The money only passes through Malays and that's why we are unable to accumulate," he said.

The former Kedah menteri besar noted that normally political power is held by those who have economic power.

“But Malays have political power because they are smart,” he said.

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