

MTEM: Yeoh's 'crony capitalism' remark akin to accusing Putrajaya of graft
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KUALA LUMPUR, June 19 — Tan Sri Francis Yeoh had as good as accused the government of being corrupt when he spoke out recently against “crony capitalism”, the Malay Economic Action Council (MTEM) said today.

MTEM CEO Mohd Nizam Mahshar also demanded that the tycoon prove that he, as YTL Corp’s managing director, was not a crony.

“When you implicate the government and leaders of the government of crony capitalism, what we understand from crony capitalism is that it borders on being associated with corruption and breach of trust,” Mohd Nizam told a press conference at MTEM’s office here.

“In Yeoh’s own statements quoted by the media, crony capitalism has been around for 20 years. And yet, he denies that he was a crony, terming his company as being ‘innovative’ instead.

“If so, he should prove his so-called innovation,” he added.

At Pemandu’s recent Global Malaysia Series forum, Yeoh sought to dispel the perception that he was a beneficiary to former Prime Minister Tun Dr Mahathir Mohamad’s political patronage, particularly in the lucrative independent power producer (IPP) sector that the former said he had mooted.

The head of YTL Corp also said 85 per cent of the firm’s business is in Britain, Singapore and Australia because these countries do not tolerate corruption, practise meritocracy and stand for the rule of law.

Mohd Nizam said today that YTL was obligated to reduce wealth disparity and to assist the Bumiputeras in particular since the company has received many government contracts through direct negotiation.

“From MTEM’s side, we do not see YTL as the only felon in this matter,” he said.

“There are many Malaysian companies that exist today, after benefiting from directly negotiated contracts worth hundreds of millions during the economic downturn with the government, that never paid back the piper,” added the head of the Malay business lobby group, who declined to identify which other companies he was referring to.

Mohd Nizam said MTEM has received complaints that such companies did not give SMEs and Bumiputera businesses roles in government projects.

“Instead of seeing the Bumiputera development agenda as a national agenda, which these companies should have assisted, they have instead seen it as a mere corporate social responsibility programme,” he said.

When asked why should companies address wealth disparity when businesses aim only to make profits, Mohd Nizam said: “It’s not the government’s job alone; it’s the government, private sector and civil society”.

News reports on Yeoh’s comments had led to scathing attacks against the business tycoon.

Detractors included Dr Mahathir, who took veiled swipes at Yeoh, and former finance minister Tun Daim Zainuddin, who urged successful businessmen in Malaysia not to criticise the government and the country, and to be grateful instead as their achievements are due to government help.

Malay-language daily *Utusan Malaysia* recently published on its front page a report headlined “Francis Yeoh dibidas” (Francis Yeoh slammed) that quoted the Tenaga Nasional Berhad Junior Officers Union as reminding Yeoh not to be arrogant, saying that he had made gains from various government projects, including those from independent power producers.

Yeoh later apologised to *Utusan Malaysia* over the furore, saying his comments on “crony capitalism” were misrepresented.

YTL Corp, an infrastructure conglomerate, is one of Bursa Malaysia’s largest firms. Together with its listed subsidiaries, it has a combined market capitalisation of over RM30 billion.

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