

Economic globalization of the maybank group and malaysia

[Finance](#), [Banks](#)



Globalization is the process whereby national economies and business systems are becoming deeply interlinked with each other. Globalization also describes an ongoing process by which regional economies, societies and cultures have become integrated through globe-spanning networks of exchange. The term is sometimes used to refer specifically to economic globalization: the integration of national economies into the international economy through trade, foreign direct investment, capital flows, migration, and the spread of technology. However, globalization is usually recognized as being driven by a combination of economic, technological, social cultural, political and biological factors. The term can also refer to the transnational dissemination of ideas, languages, or popular culture.

Globalization, since World War II, is largely the result of planning by politicians to break down borders hampering trade to increase prosperity and interdependence thereby decreasing the chance of future war. Their work led to the Bretton Woods conference, an agreement by the world's leading politicians to lay down the framework for international commerce and finance, and the founding of several international institutions intended to oversee the processes of globalization.

These institutions include the International Bank for Reconstruction and Development (the World Bank), and the International Monetary Fund.

Globalization has been facilitated by advances in technology which have reduced the costs of trade, and trade negotiation rounds, originally under the auspices of the General Agreement on Tariffs and Trade (GATT), which led to a series of agreements to remove restrictions on free trade.

Since World War II, barriers to international trade have been considerably lowered through international agreements – GATT. Particular initiatives carried out as a result of GATT and the World Trade Organization (WTO), for which GATT is the foundation, has included:

Promotion of free trade:

elimination of tariffs; creation of free trade zones with small or no tariffs

Reduced transportation costs, especially resulting from development of containerization for ocean shipping.

Reduction or elimination of capital controls

Reduction, elimination, or harmonization of subsidies for local businesses

Creation of subsidies for global corporations

Harmonization of intellectual property laws across the majority of states, with more restrictions

Supranational recognition of intellectual property restrictions (e. g. patents granted by China would be recognized in the United States)

Cultural globalization, driven by communication technology and the worldwide marketing of Western cultural industries, was understood at first as a process of homogenization, as the global domination of American culture at the expense of traditional diversity. However, a contrasting trend soon became evident in the emergence of movements protesting against

globalization and giving new momentum to the defences of local uniqueness, individuality, and identity, but largely without success.

The Uruguay Round (1986 to 1994) led to a treaty to create the WTO to mediate trade disputes and set up a uniform platform of trading. Other bilateral and multilateral trade agreements, including sections of Europe's Maastricht Treaty and the North American Free Trade Agreement (NAFTA) have also been signed in pursuit of the goal of reducing tariffs and barriers to trade.

World exports rose from 8.5% in 1970, to 16.1% of total gross world product in 2001.

Measuring globalization

Globalization has had an impact on different cultures around the world.

Japanese McDonald's fast food as an evidence of international integration.

Looking specifically at economic globalization, demonstrates that it can be measured in different ways. This centers around the four main economic flows that characterize globalization:

Goods and services, e. g. exports plus imports as a proportion of national income or per capita of population

Labour/people, e. g. net migration rates; inward or outward migration flows, weighted by population

Capital, e. g. inward or outward direct investment as a proportion of national income or per head of population

Technology, e. g. international research & development flows; proportion of populations (and rates of change thereof) using particular inventions (especially ‘ factor-neutral’ technological advances such as the telephone, motorcar, broadband)

Covering a wide range of distinct political, economic, and cultural trends, the term “ globalization” has quickly become one of the most fashionable buzzwords of contemporary political and academic debate. In popular discourse, globalization often functions as little more than a synonym for one or more of the following phenomena: the pursuit of classical liberal (or “ free market”) policies in the world economy (“ economic liberalization”), the growing dominance of western (or even American) forms of political, economic, and cultural life (“ westernization” or “ Americanization”), the proliferation of new information technologies (the “ Internet Revolution”), as well as the notion that humanity stands at the threshold of realizing one single unified community in which major sources of social conflict have vanished (“ global integration”). Fortunately, recent social theory has formulated a more precise concept of globalization than those typically offered by pundits. Although sharp differences continue to separate participants in the ongoing debate, most contemporary social theorists endorse the view that globalization refers to fundamental changes in the spatial and temporal contours of social existence, according to which the significance of space or territory undergoes shifts in the face of a no less dramatic acceleration in the temporal structure of crucial forms of human activity. Geographical distance is typically measured in time. As the time

necessary to connect distinct geographical locations is reduced, distance or space undergoes compression or “annihilation.” The human experience of space is intimately connected to the temporal structure of those activities by means of which we experience space. Changes in the temporality of human activity inevitably generate altered experiences of space or territory.

Theorists of globalization disagree about the precise sources of recent shifts in the spatial and temporal contours of human life. Nonetheless, they generally agree that alterations in humanity’s experiences of space and time are working to undermine the importance of local and even national boundaries in many areas of human endeavour. Since globalization contains far-reaching implications for virtually every facet of human life, it necessarily suggests the need to rethink key questions of normative political theory.

Being Malaysia’s largest financial services group, Maybank Group proudly serves its

Customers in over 400 branches with a network span over 13 countries and correspondent banking relationships with 700 foreign banks throughout the world. Since its incorporation on May 31, 1960 it continues to maintain its leadership role as a dynamic change-agent in financing business expansion and assisting national economic growth. Maybank Group join the world super greats when the first time ever, it was listed in Forbes Global’s Biggest Companies 2003.

The Maybank Group offers a comprehensive suite of financial solutions, services and products ranging from banking, insurance, factoring, asset

management, stock brocking, trustee services, nominee services, discount-house business, property trust fund management, unit trust fund management, venture capital and auto finance services. Over the years Maybank Group has strengthen its position through continuous and innovative initiatives. We realise Malaysian Government aspiration to internalize e-commerce and “ Multimedia Super Corridor” (MSC) by becoming the first bank in Malaysia to introduce internet banking services through its online financial portal [www. maybank2u. com](http://www.maybank2u.com). In June 2000. Maybank2u. com is also the largest bill payment portal with over 300 payee corporations. To help accelerate nation’s growth, Maybank Group had involved in mergers and acquisitions, measures taken to increase its capital and strengthen its hold onto the corporate world due to the current trend of globalization. With the absorption of Pacific Bank and Phileo Allied bank into our fold, we move forward to restructure the Maybank Group. The process saw many business units reshuffled and realigned to meet the sophisticated demands of our customers and to enhance quality in our service. In line with the transformation, we strive further to in still the culture of “ Customer-Centric Organization” mindset across the group, to more than 23, 000 committed human resources, primarily to compliment the bank’s business strategy. Maybank Group’s innovative offerings and competitiveness is proven in our unbroken record as Malaysia’s leading financial provider for the past three and half decades. Its insurance arm made a history itself; by introducing ‘ Bancassurance’ to the Malaysian market. The system is further developed and enhanced by consolidating and liberalizing its products offerings through a joint-venture in 2001 between Mayban Assurance, a

subsidiary of Maybank and Fortis International, a leading European bank based in Belgium. Maybank Group is proud to play an important role in the development and promotion of Islamic Banking in Malaysia that in early 2003; Islamic banking achieved financing growth of 50% whilst Aseambankers had RM10. 1 billion worth of Islamic PDS since 1999.

A variety of Islamic insurance products were made available through Mayban Takaful which was formed in 2002.

Our interest do not confine to accumulating profits alone, we score further to rejuvenate sports and cultural activities in the Malaysia's calendar of social event. This is reflected in Mayban Life sponsoring life insurance to participating teams in the Formula One Malaysia Grand Prix at Sepang Circuit Motor Race. This is just one of the many activities and charitable involvement we are championing apart from contributing to Majlis Kanser National (MAKNA), Budi Penyayang, orphanage homes and sponsoring numerable exhibitions at the Maybank Art Gallery, to name a few.

Synchronous with this, we create career opportunities to unemployed fresh graduates by initiating ' Graduate Trainee Programme' and sponsoring 52 under graduates through its ' scholarships' totalling RM286, 000. 00 per year.

Maybank Group's activities spanning from business transactions to social responsibility further enhances our " Corporate Brand", a consonance to reliability and a signature of quality.

Maybank (MYX: 1155), a trade name for Malayan Banking Berhad is the largest bank and financial group in Malaysia, with significant banking operations in Singapore, Indonesia and the Philippines. The bank also has large interests in Islamic banking through Maybank Islamic Bank and insurance via its Etiqa subsidiary. Maybank is the largest bank in Malaysia with 374 domestic branches and 90 international branches and offices. Maybank is the second largest listed company on the Malaysian Stock Exchange, Bursa Malaysia, with a market capitalisation of over RM30 billion as of mid-April 2009.

In 2008, Maybank completed the acquisition of 15% in An Binh Bank (Vietnam), 20% of MCB Bank Ltd (Pakistan) and 97.5% of Bank Internasional Indonesia (BII). In addition, Maybank won for the second year Malaysia's Most Valuable Brand (worth RM9.3 billion), and Deal of the Year – Insolvency & Restructuring Deal of the Year at the 2008 ALB SE Asia Law Awards.

Maybank operates consumer banking, business and corporate banking, as well as private banking services, through a network of more than 374 branch offices and more than 2,700 ATM machines in Malaysia. The company operates 22 branches throughout Singapore providing a full range of banking and financial products and services. Maybank, through Maybank Philippines Incorporated, has 45 branches in the Philippines and also has a banking presence in most of the other Southeast Asian markets, including Brunei, Papua New Guinea, Indonesia, Cambodia and Vietnam. The bank also operates branches in New York, London, Hong Kong and Bahrain.

Beside its commercial banking network, Maybank operates a number of specialized subsidiaries in the insurance, investment banking and assets management, and finance sectors. The group's subsidiaries include Etika Insurance & Takaful which provides both conventional and Shariah-compliant insurance products, and Maybank Investment Bank which is the Group's investment banking division following the acquisition of Mayban Discount and Mayban Securities. Maybank was the first Malaysian bank granted the right to establish a branch office in China.

Maybank was founded by Malaysian business tycoon Khoo Teck Puat, who died in 2004. The company was led by President and CEO Amirsham Abdul Aziz for some two decades until March 2008 after which he was appointed Minister in the Prime Minister's Department in-charge of the Economic Planning Unit, a post he held until April 2009. Dato' Sri Abdul Wahid Omar was officially appointed as President & CEO of Maybank Group in May 2008.

As of December 31, 2008, Maybank is the largest Malaysian bank, boasting group assets worth RM301 billion (USD\$87 billion), placing it among the top 120 banks worldwide. Malayan Banking is also a listed corporation on Bursa Malaysia.