

ULASAN ARTIKEL/REVIEW ARTICLE

BRUCE GALE, PATRIMONIALISM AND PUBLIC ENTERPRISES IN MALAYSIA: TOWARDS A BALANCED VIEW OF THEIR PROBLEMS AND PROSPECTS

Lim Hong Hai

The appearance of Bruce Gale's *Politics and Public Enterprise in Malaysia** is a major — and the only book-length — addition to the growing academic literature on public enterprises in Malaysia. My purpose here is to provide a critique of Gale's provocative but, in my view, essentially mistaken analysis of the problems and prospects of public enterprises in Malaysia and to present an alternative view of these matters. This alternative analysis is not only more consistent with and makes fuller use of the data contained in Gale's book but is also less deterministic in nature and less pessimistic in its implications than that provided by Gale. In addition, it encourages the identification of the major factors which appear to affect public enterprise performance in Malaysia and which deserve careful attention in the government's overall strategy of public enterprise management. A systematic discussion of these factors is highly policy-relevant as well as timely in the Malaysian context. Public enterprises have been widely used by the Malaysian government for achieving the important goal of restructuring society. Their performance in the last decade or so, however, has not been entirely satisfactory and the recent spate of closures and re-organisations of existing public enterprises and their subsidiaries suggests that the government is giving more serious attention to the question of their effective management. A discussion of some important factors affecting public enterprise performance in Malaysia will, I believe, throw some light on some of the key issues and problems in the use of the public enterprise and its management in the particular circumstances prevailing in the country.

The importance of Gale's book lies in its approach to its subject matter and in its analysis of public enterprises in Malaysia, based upon and following from its approach. The approach used by Gale is ecological in nature and accords pride of place to the political factor as the key to the proper understanding of public enterprises in Malaysia. Both these elements are

*Published by Eastern Universities Press, Petaling Jaya. 246 pp. M\$22.60

not new in the study of Malaysian public administration. Gale, however, went considerably beyond the by-now common place "administration is affected by politics" argument. He urged that the roles and problems of public enterprises or other administrative organisations can only be adequately understood by relating them to the character of the political system and its particular dynamics, that is, interpreting them in relation to the position of rulers and power-holders in the system, their desire to stay in power, their bases of support and the strategies they see and undertake for the purpose of staying in power. Attention to this quintessentially political basis of public administration has significantly informed the study of public administration in many developing countries, especially in Latin America and Africa; in Malaysia, however, the analysis of public administration has yet to be seriously related to or placed in the context of systematic conceptions of the political system. Gale's lead in this regard is one that should be followed in the interest of advancing understanding of Malaysian public administration.

According to Gale, public enterprises constitute part and parcel of the Malaysian polity and their origins, operations and significance should be understood in terms of the nature of politics, political organisation and power maintenance in the Malaysian polity. Gale's view of public enterprises in Malaysia therefore depends upon his conception of the Malaysian polity. What, then, is the nature of the Malaysian polity? Gale's answer is that the Malaysian polity can be characterized by using two key concepts, namely, patrimonialism and political clientelism, the former pertaining to the polity as a whole and the latter pertaining to the nature of political organisations or structures in the Malaysian polity. Gale's analysis of public enterprises in Malaysia is that they are part and parcel of, and therefore affected by and reflects, the patrimonial and patron-client characteristics of the Malaysian polity.

A patrimonial political system is one in which individuals and their factions or cliques vie for dominance and the benefits of rulership, in which politics is "basically a matter of cooptation and the extension of factional networks of various cliques within the elite" (p. 7) and in which the primary concern of the ruling elites at various levels is "to distribute political resources or patronage ... in a way that will ensure (their) continued incumbency" (p. 10). Political competition in such a system is not animated by ideological or policy differences but by the spoils of public office. From this stems certain characteristic features of patrimonial government and administration which stand in contradistinction to bureaucratic administration as ideal-typed by Weber. "Public office and private property were indistinguishable" and "incumbents often turned their positions into profit-making enterprises" (p. 5). This system of personal appropriation of public office and arbitrary rule is nevertheless considered legitimate because of its continuity with tradition. In contrast, bureaucratic rule and administration

is impersonal, rule-governed, based upon a strict separation of public office and the person of the incumbent and acquires or claims its legitimacy from its legal-rational quality.

Gale encountered numerous instances of apparently patrimonial administrative characteristics in his investigation of three major public enterprises in Malaysia, namely, the Majlis Amanah Rakyat (MARA), the Perbadanan Nasional (PERNAS) and the Urban Development Authority (UDA) and it is these characteristics that led him to the conclusion that Malaysia is probably a "patrimonial state". The existence of similar occurrences, which include nepotism, corruption, arbitrary decision-making, the appropriation of public funds for personal benefit and the utilization of public resources for rewarding political followers and for benefitting friends and relatives, in other public enterprises and organisations at both the federal and state levels were cited by Gale as additional reasons for believing that a patrimonial polity exists in Malaysia.

Gale's assertion that political structures in Malaysia are largely patron-client in nature is not essential to his conception of Malaysia as a patrimonial polity; it is however, not inconsistent with it. The patron-client relationship is a symbiotic, vertical and dyadic alliance between two persons of unequal status. According to Gale, the structures which impinged upon public enterprises in Malaysia, diluted and undermined central control and appropriated the resources of public enterprises for the enjoyment of their members were networks of patron-client relationships.

The implications of Gale's conception of the Malaysian polity for public enterprises are as serious as they are pessimistic. If present short comings and shortfalls in performance are well-high inevitable consequences of the working of the underlying patrimonial polity, they can only be removed by changing the patrimonial nature of the Malaysian polity. Indeed, the very concept of performance and its accompanying criteria of evaluation as well as the entire debate on how to achieve better performance would appear to be irrelevant and constitute nothing but noise to those engaged in the game of patrimonial politics and administration. But are we compelled by the evidence to accept Gale's view of Malaysia as a patrimonial polity? In other words, is Gale's characterization of the Malaysian polity as a patrimonial one the most satisfactory or plausible way to explain his findings on public enterprises in Malaysia? It seems to me that the answer must be in the negative.

Gale's analysis of Malaysian public enterprises as part and parcel of an underlying patrimonial polity is procrustean and not based on a full consideration of the empirical evidence provided by the author himself. Perhaps the best way to demonstrate this is to show that the empirical evidence contained in the book can be classified into three categories and

that if they are ranked in terms of their relative support for Gale's analysis only the first category can be considered as consistent with, and therefore supportive of, Gale's patrimonial analysis. This category consists of administrative practices or malpractices which are described by the patrimonial model of administration and which constitute integral parts of patrimonial administration. Included in this category are occurrences such as the personal appropriation of organisational resources by officials in Syarikat Senama, a MARA subsidiary, the blatant nepotism in the Trengganu State Development Corporation and the Bank Rakyat fiasco in which official procedures and requirements were extensively ignored in favour of political notables, friends, relatives and officials themselves. There were also events which Gale interpreted in patrimonial terms but which in reality do not lend themselves easily to such an interpretation. These events which constitute the second category of evidence found in Gale's book can be explained with less strain in other than patrimonial terms. They include the interference by political influentials for "piecemeal favours", the problems of non-repayment of loans in UDA and MARA as well as Ghafar Baba's stewardship of MARA. The alleged use by Ghafar Baba of MARA loans as patronage for consolidating his political base in his capacity first as MARA Chairman and then as Minister of National and Rural Development is by no means an unequivocal example of the loss or surrender of central control over MARA to a lesser patron or a lower-echelon patrimonial ruler as a necessary price of staying on top in a patrimonial polity. It appears from Gale's account that central guidance and the ability of the central rulers to assert their control were never in doubt. Gale's statement that "Ghafar Baba was originally appointed Chairman of the Authority in 1967 in the hope that his political influence would strengthen the organisation" (p. 75) implies that the appointment was made because it fitted the designs of the ruling group. And when Ghafar Baba's influence over MARA operations was considered excessive and when MARA developed in directions that were neither considered desirable nor initially foreseeable, measures were effectively taken in the early 1970s to curtail the personal influence of Ghafar Baba and redefine the role of the Authority (pp. 75-79). The case of MARA shows, among other things, that politicians often use public programmes for building their political support, that senior political leaders often experience difficulty in controlling lesser ones and that their purposes are sometimes in harmony and sometimes in conflict, but all these phenomena are not peculiar to the patrimonial model and their incidence in Malaysia do not by themselves warrant the inference of a patrimonial polity in the country, much less require it for their explanation.

The major logical fault in Gale's interpretation lies in its inconsistency with the third category of evidence which is contradictory to the patrimonial model. Gale himself reported that Hussein Onn was able to avoid and counter patrimonial tendencies during his term as Prime Minister and that Hassan Ibrahim as Director-General of Transport "was able to eliminate

the bulk of the corruption in the issuing of driving licenses and force truck drivers and minibus operators to observe transport regulations" (p. 202). In other words, politicians in power as well as administrators in the Malaysian polity possess enough autonomy to resist patrimonial behaviour and the ability to counter such behaviour on the part of others. There is also frequent reference in the book to the efforts of "central planners" to check the abuses and misdeeds of public enterprises and to bring about more rational and purposeful behaviour. All these are inconsistent with the "rules of the game" in a patrimonial polity. But the outstanding piece of counter-evidence must be Gale's own study of PERNAS to which he devoted an entire — and the longest chapter — of his book. The commercial success of PERNAS was attributed by Gale to the singularly professional management approach of its leaders who even "employed foreign managers less susceptible to patrimonial influence" (p. 69).

Gale was clearly aware that not everything he found can be fitted into the patrimonial model. But this did not lead him to reconsider the model he began with and its presumed utility in comprehending Malaysian politics and administration and to search for an alternative explanation more in line with the evidence at hand. It appears that in carrying out his study (for an M.A. thesis), Gale, having set out "to demonstrate the utility of the patrimonial model in understanding the political process in Malaysia and the place of public enterprises within that process" (pp. 12-13), was almost immediately consumed by what Flaubert called "la rage de vouloir conclure" which blinkered and propelled him into a "headlong rush toward the pseudo-insight".¹ This accounts for his unbalanced and one-sided analysis of public enterprises in Malaysia and the advocacy of a single patrimonial perspective in a situation in which behaviours are simply too complex and varied to be adequately explained by it, for his failure to take proper account of the recurring contradictory evidence and his persistence in claiming more utility for the patrimonial model than is warranted by the Malaysia evidence as well as for his even more unfounded assertion in the concluding chapter that Malaysia would increasingly resemble a "patrimonial state" in the future. Regarding his patron-client assertion which, as noted earlier, is not essential to his central argument, it need only be pointed out that to show that the groups or structures he observed were actually networks of and decomposable into patron-client dyads requires more systematic investigation into the nature of the relations among their members than was carried out by Gale.

The foregoing critical remarks do not deny that some behaviours in Malaysian administration can properly be termed patrimonial; nor do they

¹Albert O. Hirschman, *Journeys Towards Progress* (New York: Anchor Books, 1965), pp. 313-316. Flaubert's phrase in French was used and translated by Hirschman as "the mania for wanting to conclude".

gainsay the potential of Gale's theoretical approach or the wealth of information on some of Malaysia's public enterprises contained in the book. To confine one's analysis to those features in the Malaysian situation which support one's preconceived model, however, is to be guilty of oversimplification to the point of serious error. In the remainder of this essay, I shall propose an alternative way of appreciating the Malaysian situation which avoids the static and over-pessimistic nature of Gale's analysis of Malaysian public enterprises. Within this proposed perspective, I shall also discuss some important points of policy leverage for the improvement of public enterprise performance in the country. Most of these leverage points or factors were touched upon by Gale. His devotion to the patrimonial model, however, resulted not only in the caricature of the problems and weaknesses of Malaysian public enterprises but also in the failure to consider adequately the scope and possibilities of improvement and the factors involved.

If Gale's patrimonial explanation cannot be accepted, what alternative explanation can be offered to take its place? What is needed is an explanation or at least a perspective which can accommodate the variety of empirical evidence uncovered by Gale. This condition can be satisfied by viewing Malaysia as a changing and therefore mixed system, conforming with neither the Weberian ideal-types of patrimonialism or bureaucracy but containing features of both. In such a historical perspective, in which Malaysia is regarded as undergoing what the student of social change, Reinhard Bendix referred to as "the great transformation",² an important aspect of which is the shift from traditional authority and patrimonial administration toward rational-legal authority and bureaucratic administration, it is not at all surprising to find that Gale encountered a mixed situation in Malaysian administration in which patrimonial characteristics exist alongside bureaucratic ones. If, in addition, it is recalled that the bureaucratic elements were implanted or imported into a pre-existing patrimonial system, it is not difficult to understand the precarious and conditional nature of bureaucratic elements in the presently mixed system. The supplantation of patrimonial elements and the institutionalization of bureaucratic norms and practices, in this perspective, is an ongoing, gradual and time-consuming process. It is also a process which is related to and reflective of changes in the wider society. American scholars, in their studies of administrative behaviour in developing countries in the 1950s and 1960s, have repeatedly found that it was almost impossible to insulate the performance of bureaucratic roles from the influence of existing norms in the larger society. Traditional and extra-bureaucratic norms in a given society were inevitably smuggled or brought into the performance of their roles by incumbents of formally bureaucratic organisations. The reason, as stated by Lipset, is that "(s)ocial pressures from many different group affiliations

²Reinhard Bendix, *Nation-Building and Citizenship* (New York: Wiley 1964).

and loyalties determine individual behaviour in most situations" and that "(t)he behaviour of an individual or group in a given situation cannot be considered as if the individual or group members had no other life outside the given situation one is analyzing".³ In a society like Malaysia, therefore, behaviour in formally bureaucratic organisations can be expected to differ, to a larger or lesser extent, from formal prescriptions. Gale provided many examples of "under-bureaucratization" in the public enterprise sector in Malaysia.

The changing and modernizing Malaysian society imposes constraints upon the realization of full-bloom bureaucratic organisations but does not doom all attempts to operate bureaucratic organisations to failure. Thus, by Gale's account, MARA and UDA achieved part of their objectives although perhaps at higher costs than was anticipated and although both ran into financial difficulties. Variations in performance are also possible; in the public enterprise sector of Malaysia, for instance, PERNAS was considerably more successful than either MARA or UDA. These variations in performance provide the basis for hope and optimism, for they indicate that within the same society there are factors that can cause variations in performance. What are these factors? Can they be affected or changed in desired directions by seekers of improved performance?

One obvious factor is personnel and in particular the leaders of a public enterprise. National leaders who set up public enterprises for achieving their purposes have to resist patrimonial and feudal tendencies within themselves as well as contend with extra-bureaucratic tendencies of their subordinates and those they rely upon. The vulnerability of Malaysian public enterprises to the debilitating effects of extra-bureaucratic norms and loyalties has clearly been demonstrated by Gale. As the use of the public enterprise entails some measure of decentralization or delegation of decision-making power from the central agencies and Ministers to leaders of the public enterprise, the reliability of its senior officials is a particularly critical consideration in the case of the public enterprise. The importance of this factor is underlined if we compare PERNAS (high success) with Bank Rakyat (low success and although not a public enterprise) or PERNAS with MARA and UDA (mediocre success). These comparisons suggest that the important considerations are the leaders' commitment to organisational goals and the management skills and approach they bring to their leadership role. The saliency of extraneous goals and therefore the likelihood of goal displacement, the comparisons also suggest, is not simply a function of whether a

³Seymour Martin Lipset, "Bureaucracy and Social Change", in Robert Merton, *et al*, *Reader in Bureaucracy* (New York: The Free Press, 1952), p. 230.

leader is a politician or an administrator: Razaleigh of PERNAS was and is a politician like Ghafar Baba of MARA and Harun of Bank Rakyat while Yaakob Hitam of UDA had an administrative background. The careful selection of the leaders of senior officials of a public enterprise by national leaders is one of the most important factors in determining its future development and performance. Sound leadership at all levels and not just at the top is required for overall success, as underlined, for instance, by the differences in performance among the MARA and also the PERNAS subsidiaries. The relative shortage of trained managers, especially among the Malays (who, for various reasons, are strongly favoured for employment by public enterprises) poses an obvious problem or constraint. This points to the importance and urgency for training which, it may be pointed out, is to be valued not only for imparting managerial techniques and skills but also for its hoped-for effects on commitments and value orientations which will determine whether and to what ends the techniques and skills will be applied.

Another key parameter in the management of public enterprises is an effective system of control. Besides the determination of basis mission and structure, control agencies should as far as possible monitor and evaluate results or performance rather than place primary emphasis on control of normal and day-to-day operations. Higher-level consultation and/or approval may be required for major policy and programme decisions but the principle of maximum feasible autonomy in operations should be heeded at all time if the theoretical advantage of the public enterprise is to be fully realized.

Gale's study shows that it is not very advisable to grant full operational autonomy to public enterprises in Malaysia in the absence of effective controls and that the importance of controls in preventing and checking abuses and malpractices is keenly appreciated by "central planners" in Malaysia. The kind of control described by Gale is internal-hierarchical — that is, by central agencies and Ministers rather than by more autonomous and open institutions — as well as *ad hoc*, not based upon pre-specified and specific criteria of evaluation and having the appearance of crisis interventions. The heavy reliance upon internal hierarchical control is probably due to the perceived political sensitivity of the restructuring and redistributive programmes of many public enterprises in the multi-racial Malaysian context. Gale's book shows that such controls have not been very effective in preventing the abuses to which Malaysian public enterprises are prone. The need for improved controls and the realization of the synergism of multiple forms of control probably underlie the government's recent move towards more open administration and the passing of the Statutory Bodies (Accounts and Annual Reports) Act in 1980, requiring many public enterprises (that is, those that are statutory bodies) to submit their accounts for in-

dependent audit by the Audit Department.⁴ The absence of any reference in Gale's study to a system of reporting, monitoring and evaluation of results or performance for any of the public enterprises covered by the study is probably indicative of the rudimentary state of development of performance control systems in public enterprise management in Malaysia. The specification of performance criteria is difficult for some public enterprises in the country because of the ambiguity, multiplicity and inconsistency of their assigned and declared objectives. This state of affairs may be explainable by the government's unwillingness to commit itself to clear and unambiguous goals in advance and thus deny itself and public enterprise leaders the flexibility useful in responding to unforeseeable contingencies in a politically volatile field of operation as well as by the fear of heightening awareness of inter- and intra-racial conflict by a clear definition of objectives and of intended beneficiaries and non-beneficiaries. Political expediency and camouflaged objectives do not preclude systematic evaluation on the basis of specific criteria in the inner councils of government. To the outside observer, however, the present situation often appears to be one in which the government and the public enterprise implicitly agree to "play by ear". The public enterprise is given a broad and multi-purpose mandate or one subject to multiple constraints which it interprets and tries to implement in the light of whatever cues are forthcoming from the government and its own sense of the evolving political situation and of what is likely to be favourably or unfavourably received by the government of the day. The government, on the other hand, tries to keep a watchful eye on the activities of the public enterprise, requires prior approval of certain kinds of decisions, issues directives and guidelines as and when it sees fit and takes remedial measures when it feels that the public enterprise has veered from its intended mission or is going about it in an ineffectual or otherwise undesirable manner. This portrayal of public enterprise-government relations is supported or confirmed by Gale's account of the history of MARA and UDA. The UDA, under its first Chairman (1971-1978), got into serious financial difficulties as a result of its subordination of cost and profit considerations to restructuring objectives and other administrative malpractices and deficiencies; this brought about a period of reform and reorganisation, including several rapid changes of its Chairman, in the following years, as described by Gale (pp. 167-169). And in a recent directive from the Minister of Public Enterprises, it has been asked to be more "cost conscious" and to

⁴More control measures and mechanisms may be in the offing. In the latest announcement by the Minister of Public Enterprises, it was stated that an "authoritative council" consisting of persons knowledgeable in industry and management and academics may be set up to "take to task" public enterprises which are performing poorly. See *The New Straits Times*, August 28, 1980.

“think commercial” in its future operations.⁵ Given this state of affairs, one can only reiterate the point that possibilities for more systematic performance control of public enterprises exist, should the government want to exploit them.

Apart from the careful selection of leaders and senior officials of the public enterprise and the installation of meaningful controls, measures should also be taken to enhance the planning and operating capacity of many public enterprises in the country. Deficiencies in the organisation's own capacity to produce the results expected of them probably account for a large part of the frequent project failures that afflicted Malaysian public enterprises in recent years. In addition to the exercise of control, central agencies as well as the Ministry of Public Enterprises need to look into the feasibility of expanding and upgrading their technical and management assistance capabilities *vis-a-vis* the public enterprises. The underdevelopment and relative neglect of these assistance capabilities and the multiplication of controls may have the undesirable consequence of increasing the defensiveness and cynicism of public enterprises towards their external controllers, especially if the latter's pronouncements are perceived as emanating from persons divorced from operating realities and therefore uninformed, unsympathetic and unhelpful. The correction of this imbalance in the government's approach towards public enterprise management should be given priority in the quest for better performance. If, in the process, the control agencies acquire more knowledge and understanding of the problems of individual public enterprises and become regarded not as demigods to be appeased and put up with but as providers of expert assistance and partners in a common endeavour, the effects on their future interaction and on performance will be salutary.

There are doubtless other factors besides personnel, control, goal clarity and management assistance which are important to consider in the government's utilization and management of public enterprises in Malaysia. The point, however, is that the performance of public enterprises in Malaysia can be improved and this can be done without having to overhaul the social and political context in the country, contrary to Gale's misguided patrimonial thesis and its pessimistic implications. One can accept Gale's conclusion that “the public enterprise strategy is not necessarily the most efficient or equitable means of achieving national objectives” (p. 202), but not for exactly the same reasons and certainly not with either a sense of deep resignation or painful despair. Gale's analysis fails to reflect the complexity and fluidity of the situation he observed and the potentialities for improvement in Malaysian public enterprises. If serious attention is given to the factors discussed above and if the government can refrain from setting up more public enterprises than current manpower availability and its own finite

⁵*The New Straits Times*, July 30, 1982.

control and guidance capabilities permit, public enterprise performance can be expected to improve as the patrimonial model describes a progressively shrinking portion of the actions of public enterprises in Malaysia.

A REJOINDER

Bruce Gale

Lim Hong Hai says that I have described Malaysia as a patrimonial state. From this, he says, I argue that public enterprises must also be patrimonial institutions and therefore act in ways which reflect their patrimonial nature. Efforts at piece-meal reform of public enterprises to eliminate various forms of corruption and mismanagement are therefore doomed to failure if they are not accompanied by massive social and political changes at the same time.

Lim objects that this way of looking at things is unbalanced because it ignores evidence — provided in my own book — that patrimonialism is not the pervasive phenomenon he says I claim it to be. He then goes on to suggest an alternative analysis in which patrimonial influences are just one of a wide range of factors affecting the performance of public enterprises in Malaysia. He calls this a “more balanced view”.

Unfortunately, Lim's account of the central thesis of my book (as summarised above) is a mistaken one. Despite frequent references to “patrimonial elements” and “patron-client influences” Malaysia is nowhere described as a fully-formed patrimonial state. I chose to “identify Malaysia as a society with strong patrimonial features” (p. 175) and warned that “It is tempting — but not quite accurate — to describe Malaysia as a full-blown patrimonial state” (p. 201).

From this it follows that Malaysian public enterprises may be affected by patrimonial influences in varying degrees according to particular circumstances. Thus I noted that “The history of the Corporation [PERNAS] should serve as a warning that, however apt patron-client analysis may be in the Malaysian context, it cannot be applied indiscriminately” (p. 38). Incidentally, Lim says I ascribe the success of PERNAS merely to the organisation's willingness to use foreign managers. This is not true. PERNAS success was “largely due to its willingness to abandon pre-1969 Mara style strategies” (p. 86). Later I suggested that the problems of MARA and the UDA could be partly attributed to the fact that they were obliged to provide loans and other forms of assistance to Malay businessmen (p. 202). It seems to me that programmes such as these are particularly liable to patron-client influences.

As for my supposed “advocacy of a single patrimonial perspective”

one only needs to read page one. Here, in asserting the primacy of political factors, I concede the point that other explanations "may have their place".

Lim also charges me with being unduly pessimistic. But since I am not committed to describing a fully developed patrimonial system, the problem really does not arise. Thus I am able to state that "the situation is far from hopeless" (p. 202) and suggest that "the new decade (1980's) held some hope of improvement" because of proposed changes in government policies (p. 204). The actions of the new Mahathir-Musa leadership since the book was written reinforce the point.

Lim also says that I assert that Malaysia will increasingly resemble a patrimonial state in the future. Here Lim is confused between description and prediction. The relevant passage (pp. 194-202) makes no prediction. It merely observes that patrimonial influences became stronger in the 1970's due to the establishment of public enterprises with generous financial allocations which could be used as additional sources of patronage. In any case, how can I predict that Malaysia would increasingly resemble a patrimonial state in the future when, according to Lim, I had already concluded that the society was a patrimonial one?

Lim's alternative explanation refers to factors such as the careful selection of personnel, the need for central government control, careful planning and management assistance. All of these factors have been mentioned many times before in the academic literature on Malaysian public enterprise. I have no objection to their inclusion as important factors. Several pages of the book are devoted to a discussion of the need for greater coordination and control (pp. 179-184). However, I think it worth pointing out that poor management, ineffective central control and a lack of staff dedication may sometimes be mere symptoms of underlying patrimonial or patron-client influences.

Lim may disagree. There are certainly examples of situations in the book that I believe to be patrimonial where Lim would look for other interpretations. Be that as it may, the point of this rejoinder is that my analysis of the activities of Malaysian public enterprises is not as simplistic as Lim believes.