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BOOK REVIEW

The Dilemma of Independence: Two Decades of Malaysia's Foreign Policy 1957-1977. By J. Saravanamuttu. Penang: Universiti Sains Malaysia, 1983.

Ph.D. dissertations, provided that they are well researched and published before interest in them fades, are a reliable source of scholarly works for the publishing business. It needs to be emphasized, however, that depending on the subject matter, publication must not be unduly delayed.

J. Saravanamuttu's work is a case in point, but of course with certain reservations. The study was originally submitted to the University of British Columbia in 1976. Since the present book covers events up to 1977, we can only assume that the author added a couple of years to his original study to conveniently title his study, Two Decades of Malaysia's Foreign Policy.

The book is divided into six chapters. The first and last chapters provide the theoretical introduction and conclusion, while chapters two through five discuss the main topic. As the author himself has pointed out, "the introductory and concluding chapters are . . . devoted to discussing . . . broad theoretical points. The general reader may . . . skip these two sections without doing violence to the empirical thrust of the work which chiefly attempts to record as faithfully as possible the content and course of Malaysian foreign policy in the period surveyed".

Saravanamuttu has convincingly divided his periods into 1957-63, 1964-69, 1970-75, and 1976-77. (Having not had access to the dissertation, I can only assume that the last period is an addition to the original work.) To quote the author, "the beginning or end of each period is marked by an event or events which have a significant impact generally on politics and in particular on foreign policy". For each of the time periods, he has chosen three issue areas as his foci of study — namely, Defence and Security, Development and Trade, and International Co-operation and Diplomacy, which broadly summarize the "national needs" approach. Thus, the four corresponding chapters systematically describe and analyse the issues, providing a clear picture of not only the events and personalities but also the "links" between the periods, highlighting the continuities and changes within the two decades. As it is not a study on foreign policy formulation and the decision-making process, we could perhaps overlook the author's rather concise treatment of the section on the Ministry of Foreign Affairs, its structures and functions, both in the introductory and main sections of the book.

The four chapter headings, "The Dilemma of Independence, 1957-1963", "Confrontation", "Turmoil and Change, 1964-1969", "New Direction Under a New Order, 1970-1975", and "The Consolidation of Policy, 1976-1977", aptly summarize the main themes in each chapter; hence there is no necessity to dwell on the details here. However, I would question the aptness of the title of the book, *The Dilemma of Independence. Two Decades of Malaysia's Foreign Policy*.... Reading the book, one

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does not get the impression that Malaya (and later Malaysia) faced a "dilemma" in its foreign policy over the twenty-year period nor is this theme (the dilemma of independence) adequately developed in the text or in the conclusion. The term "dilemma" would be nothing more than a current catchword if it is not integrated into the theoretical and textual parts of the work.

In general, the book provides a number of useful tables on trade and other external indicators, and of particular interest are the "Policy Output" tables, explaining the objectives, postures, strategies, and actions. However, the numerous figures and explanatory charts do not appear to be very helpful; as the text adequately presents the points the reader should not be confused with too many criss-crossing arrows. One of the commendable presentations is the seven-page "Chronology of Events From the Outset of Konfrontasi Till its Termination", including all the related events of the period beginning in January 1963 and ending in August 1966. However, since it is not particularly limited to the topic of the chapter, it would have been better to include it in an appendix, so as not to disrupt the flow of interest within the chapter.

On the whole, Saravanamuttu has presented an interesting and well researched book, clearly laid out within a defined analytical framework. One could only hope that he comes out with a sequel so that we may follow up with an up-to-date analysis of post-1977 issues and personalities and a more current listing of the relevant bibliography.

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Multinational Business and National Development A Reply to Professor H.W. Arndt

I thank the editors for giving me this opportunity to reply to Professor H.W. Arndt's thought-provoking review of my book, "Multinational Business and National Development: Transfer of Managerial Knowhow to Singapore" (Contemporary Southeast Asia 6, no. 3 [1984]: 272-73). Although I find his opinions valuable, and for which I am grateful, I would like to make the following clarifications.

The first clarification concerns the relationship between the case study and the power theory of development. The case study is supposed to illustrate "the theoretical possibility of an MNE contributing to the host nation's power and development by its transfer of resources there". The "case illustration" demonstrates, therefore, one aspect of a macro-theory at the micro-level of a firm in one specific host country and relating to one specific resource, namely, managerial know-how. This is certainly not the same as what Professor Arndt had stated: ". . . four theoretical chapters designed to demonstrate that the issues posed by the case study are illuminated by Dr Chong's 'power theory of development'".

Secondly, Professor Arndt, in his review, seemed to have attributed to me a position which I do not hold. He wrote: "MNEs control a huge amount of the world's resources. It follows that MNEs can powerfully influence a country's development, positively or negatively. . . . Dr Chong would surely agree that even in Singapore's case the contribution of