

Greater transparency, accountability needed for GLC reforms - IDEAS

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KUALA LUMPUR, Oct 27 (Bernama) -- Greater transparency and accountability is needed for reforms at government-linked companies (GLCs), said Institute for Democracy and Economic Affairs (IDEAS) Senior Fellow, Professor Dr Edmund Terence Gomez, here today.

He questioned why GLC reforms had yet to take off and pointed out the silence on the reshuffling of GLCs from one ministry to another.

"We are now well into six months of the administration. I would have thought that since the presence of the GLCs was such a major problem in the economy, it is the first thing that should have been done by way of introducing reforms.

"Why haven't they introduced reforms as Prime Minister Tun Dr Mahathir himself described the GLCs as a 'monster'," he told reporters on the sidelines of the Youth Economic Forum 2018 here today.

In April this year, Dr Mahathir said the GLCs had grown to become monsters and were not serving the purpose originally intended, namely to reduce the disparity between the rich and the poor.

He also said that GLCs were created to ensure money rests with them and hold shares for the Malays, but without proper supervision, had now become a monster.

According to Edmund, the government has to be clear as to why the GLCs were set up.

"To my mind, many were set up to practice the power of patronage and the politics of patronage.

"The GLCs became an important process through which you could channel out concessions and procurement that clearly need transparency," he said.

He also questioned the reshuffling of GLCs between ministries such as the Ministry of Finance (MoF) and Ministry of Economic Affairs.

"Why should companies under the MoF be transferred to the Ministry of Economic Affairs? Why should some GLCs under the MOF be put under the Prime Minister's Department. Here, I am talking specifically about Khazanah. Why is the shuffling going on?"

"We do not know exactly who has been shifted and where to. Why are they so secretive about the shifting of these GLCs between ministries and who is deciding which GLCs go to which ministry? Do the Ministers even know what GLCs have come under their portfolio? These are important questions," Edmund said.

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