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EVENT: THE OCCASION OF THE COMMONWEALTH HEADS OF GOVERNMENT MEETING

VENUE: KUALA LUMPUR

DATE: 18 OCT 1989

TIME:

Your Majesties;
Your Excellencies;
Distinguished Guests;
Ladies and Gentlemen.

Let me begin by bidding you 'Selamat Datang'. This Malaysian greeting expresses much more than just welcome. It conveys the warmth and happiness that we feel in receiving you here in Kuala Lumpur.

2. I am happy to meet old friends and to make new acquaintances. We are all, I am sure, delighted to welcome Prime Minister Benazir Bhutto, whose presence here today is really a sort of a homecoming. Pakistan's return to this family of nations will no doubt enrich our discussion and help strengthen Commonwealth collective action.

3. I would also like to take this opportunity, on behalf of all of us, to thank Prime Minister Brian Mulroney for his stewardship at our last gathering in Vancouver and for the unforgettable hospitality of the Canadians. I know that Prime Minister Mulroney as past Chairman, will have a valuable contribution to make.

Your Majesties, Excellencies, Ladies and Gentlemen,

4. Malaysia, situated at the crossroads between China and India, East and West, has for centuries been a meeting place for peoples and cultures. We carry this tradition today as we now play host to the leaders of the Commonwealth.

5. Although we have been trading with the rest of the world for over a thousand years, we had never participated much in international affairs. But since independence we have been forced out of our cocoon by international economic and political pressures. If we do not go out to protect our interests no one will protect us. Hence our increasing participation in multilateral organisations. The hosting of this Meeting is a part of that need to interact and to protect ourselves.

6. The Kuala Lumpur Commonwealth Conference is timely and relevant. Developments in relations between the superpowers promise, for the first time since the war, a broadbased and

unprecedented agenda for political and economic cooperation. Less heartening is that we enter the next decade with the economic issues of the eighties unresolved. And, equally disheartening, Apartheid is still with us.

7. These trends and circumstances provide challenges and opportunities which demand new responses from us. The Commonwealth, if it is to remain relevant, must provide some of the answers. The Kuala Lumpur Conference, I hope, will give us the opportunity to look for them.

8. There is some momentum towards superpower detente. We cannot assume that as they resolve their differences, our interests, especially those of the developing world, will not be sacrificed. We must be mindful of this. We must be able to forecast and to pre-empt. Peace will carry a cost. That cost must be equitably shared.

9. In West Asia ceasefire arrangements are now in place which, hopefully, will lead to an end to bloodshed. The Palestinians continue to be deprived of their homeland. Israeli security may be important but surely we must consider also the security of its neighbours and the fate of the Palestinians. State terrorism as practised by Israel is as despicable as any kind of terrorism and must be stopped. There cannot be peace and security without justice.

10. The situation in Afghanistan is far from being resolved. Afghans in their thousands continue to live in refugee camps. The Paris Conference on Cambodia failed to achieve a comprehensive political settlement. We must continue our efforts to resolve the Cambodian problem before it degenerates into another bloody civil war.

11. Of particular interest to us here is the situation in Southern Africa where our efforts need to be stepped up. We are agreed that Apartheid must be eliminated. The correct signal must be sent to the racist regime in South Africa. Sanctions work. Do not be deluded into believing that the small changes we are seeing there is due to a sudden flowering of humanitarian feelings. Concern for the effect of sanctions on the blacks is misplaced. Consequently, sanctions must not only continue but must be escalated. Investments and financial flows to racist South Africa must be completely stopped.

12. We all know that the independence plan for Namibia is partly at least the result of sanctions. We also know that control over Namibia will be grudgingly surrendered, and every opportunity exploited to frustrate the implementation of the plan.

13. We must be vigilant that recent developments in Southern Africa do not obscure the central issues of Apartheid. We must not allow the racist Pretoria regime to deflect us. The establishment of a democratic, truly non-racial, unitary and representative government in South

Africa must remain the principal objective of the Commonwealth. We must not think of settling old scores. Whites, blacks and coloured must live together in amity.

Your Majesties, Excellencies, Ladies and Gentlemen,

14. There may be hope and encouragement with regard to the global political scene, but the world economic trends are not so propitious. While nearly all of the developed countries still manage modest growth, many of the developing countries are experiencing stagnation if not negative growth. The rich countries have apparently ganged up against the poor. They have arrogated to themselves the right to direct world trade and to manipulate currencies to their advantage. Subsidies, quotas, tariff and non-tariff barriers by the rich have distorted costs and supplies worldwide. Now environment and human rights are to be used to hamper economic development in the developing countries.

15. On the question of poverty, especially in Africa, our response cannot simply be assistance alone. The linkages of poverty to debt and trade -- and even to the environment -- must be recognised and addressed.

16. The debt burden of the poor is getting heavier. An unacceptably high percentage of their GNP is spent to service debts, resulting in a reversal of the net flow of funds between the rich and the poor. For the poorest the situation is hopeless.

17. The African debt problem continues to deteriorate -- largely unnoticed. Part of Africa's problem is that the countries concerned simply do not owe enough to pose a threat to the international financial system. Hence, the scant attention to African debts.

18. What we need is a bold financial initiative. Such a plan would have to recognise that existing debts, public and private, are not worth their full value and that most African debtors cannot sustain full debt-servicing. Making debt-slaves of whole nations is worse than the inhuman practice of debt-slavery in the past. Those who can must pay, but consideration must be given to those who truly cannot.

19. Yet another dimension of the problem is the increasing attempt by the G-7 to interfere decisively in the management of the global financial and trading system. Their decisions to realign currencies have not only severely affected the debt-servicing burden of developing countries but also the resource flows and their growth prospects.

20. Problems of debt and poverty cannot be overcome while significant disparity exists between the economic growth rates of the developed and the developing countries. Developing countries need better access to markets and a greater flow of foreign investments not only for economic

growth but also to provide them the means and the capacity to service their debts.

21. For world trade to grow, the principles of an open and fair multilateral trading and payment systems must be upheld. While we try to reduce tariff barriers, and stimulate global trade, we are now threatened by a discernable increase in non-tariff barriers. Further, the focus has shifted from "free trade" to "fair trade". Industrialised countries are increasingly demanding reciprocity even as they deny the developing countries tariff concessions and preferential treatment.

22. This is evident in the current Uruguay Round of the MTN. Pious pronouncements have been made on interdependence and the importance of multilateralism. But they are contradicted by the actions of those who make them. Bilateralism and regionalism are being allowed to gain at the expense of an open multilateral trading system.

Your Majesties, Excellencies, Ladies and Gentlemen,

23. The environment is now a matter of grave concern to everyone including the developing countries. The degradation of the environment can no longer be ignored and urgent solutions must be found. Unfortunately, many developed countries seem intent on laying the blame for the world's environmental problems on the developing countries. Yet by any measure, it is the developed countries which have most assailed our environment. Nuclear testing, excessive use of fossil fuels, private transportation, release of CFC into the atmosphere, massive wastage of paper, toxic chemical disposal; all these and more are the direct result of the life style of the rich.

24. Poverty, of course, contributes towards environmental decline, but it is only because the poor cannot help themselves. If they are denied the few resources they have, they are going to become poorer and would cause even greater environmental degradation. On the other hand, the rich can afford not only to reduce their waste generating life style but can expand more on reafforestation of the agricultural land they had wrested from their forests. With their technology and their wealth they can actually make millions of acres of desert bloom.

25. Unfortunately the line taken by environmentalists is to lay the blame on poor countries and seek to force them to slow-down their development in the interest of restoring the environment which the rich had polluted. Even World Bank loans are now to be made conditional upon environmental consideration.

26. We agree that concerted international effort is needed. The Commonwealth can help by bringing some sanity and balance to the current debate. We all must share the burden of keeping our environment livable, but, the sharing must

be fair and in accord with the means at the disposal of each of us. The poor must not be made to pay for the past and present sins of the rich.

27. Another problem which transcends national boundaries and which requires a global approach is the drug problem. Malaysia makes no apology for the severity of our punishment for drug traffickers. We see today how very serious the problem can become. Whole Governments are being threatened, subverted and corrupted by the drug traffickers. Alone many nations may just go under. Only a combined and coordinated anti drug trafficking war by the international community can hope to defeat this evil and prop up Governments against the violent assaults by the merchants of death. An all-out global war must be waged with all the money and forces at our disposal. The cost will be high but the price we will have to pay if the drug menace spreads will be far higher. We are seeing this now. Extradition, confiscation of all proceeds from drug trafficking and severe punishment for traffickers must be universal. It is the laxity of some nations which has caused the drug habit to spread. Remember that along with the drug habit will come AIDS. Those who advocate leniency are guilty of spreading AIDS as well. We must act now.

Your Majesties, Excellencies, Ladies and Gentlemen,

28. In keeping with custom, Her Majesty Queen Elizabeth, as Head of the Commonwealth, is in Malaysia during the course of the Conference. Malaysia, as host, would like to thank Her Majesty for her gracious presence. The Malaysian Government and the people of Malaysia are greatly honoured by her acceptance of our invitation to make a state visit to Malaysia immediately before the Conference. She has won the hearts of everyone of us by her friendliness and charm. Her Majesty's presence makes the Commonwealth that much more cohesive and meaningful. We wish her good health and long may she reign.

29. In conclusion, let me state that the relationship which binds the Commonwealth together can be enormously rewarding. There is much that we can do for each other and for the world if we set our mind to it and we act.

30. Malaysia in a way has rediscovered the Commonwealth. We admit that we were at one time disenchanted. But in an increasingly interdependent world the Commonwealth provides an important forum for the discussion and even the settlement of some international problems. We also see a role for ourselves in the Commonwealth, small though it may be. We pray and hope that the Commonwealth will, in this era of rapid and radical change, live up to the expectations of its members. We hope the Kuala Lumpur Commonwealth Conference will contribute towards this end.

31. Once again, I bid you welcome to Malaysia. We will do our best to make your stay comfortable.

