STRATEGY FOR ACTION



TUN ABDUL RAZAK

—The Nation Builder

> The greatest safeguard of our country's sovereignty is not only Defence but even more so, Development.
>
> *—Tun Abdul Razak*

Published by the Malaysian Centre for Development Studies,
Prime Minister's Department, Malaysia

The text of this book is set in Linotype, the type-face being 10 pt. Times New Roman on 12 pt. body.

Price
$9.50 cts.

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The text of this
is set in Linotype
type-face being 1
Times New Roma
12 pt. body.

Price
$9.50

STRATEGY FOR ACTION

FIRST PUBLISHED MARCH 1969

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DI-CHETAK DI-JABATAN CHETAK KERAJAAN
OLEH THOR BENG CHONG, A.M.N., PENCHETAK KERAJAAN
KUALA LUMPUR
1969

STRATEGY FOR ACTION

THE SELECTED SPEECHES OF

TUN HAJI ABDUL RAZAK BIN DATO' HUSSEIN AL-HAJ,

THE DEPUTY PRIME MINISTER, MINISTER OF DEFENCE AND MINISTER OF NATIONAL AND RURAL DEVELOPMENT OF MALAYSIA

Preface by TUNKU TAN SRI MOHAMED BIN TUNKU BESAR BURHANUDDIN, P.M.N., P.N.B.S., P.P.T.

Chairman,
Directing and Co-ordinating Committee of
the Malaysian Centre for Development Studies

Edited by J. VICTOR MORAIS, S.B.St.J.

Published by the Malaysian Centre for
Development Studies, Prime Minister's Department,
Malaysia

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ABBREVIATIONS

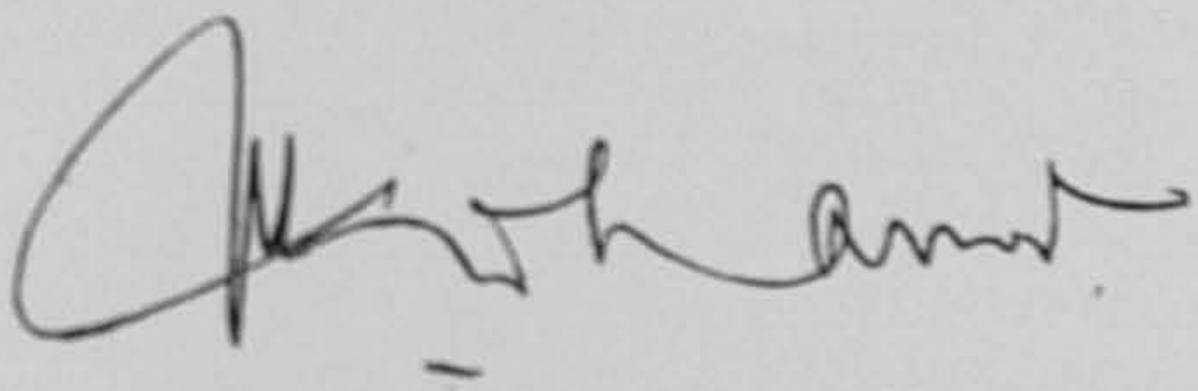
ASA	=	Association of Southeast Asia.
ASEAN	=	Association of Southeast Asian Nations.
ECAFE	=	Economic Commission for Asia and the Far East.
E.P.U.	=	Economic Planning Unit.
E.R.O.P.A.	=	Eastern Regional Organisation for Public Administration.
F.A.M.A.	=	Federal Agricultural Marketing Authority.
F.I.D.A.	=	Federal Industrial Development Authority.
F.L.D.A.	=	Federal Land Development Authority.
G.N.P.	=	Gross National Product.
M.A.R.A.	=	Majlis Amanah Ra'ayat.
M.C.A.	=	Malayan Chinese Association.
M.I.C.	=	Malayan Indian Congress.
M.I.E.L.	=	Malaysian Industrial Estates Sendirian Berhad.
MARDI	=	Malaysian Agricultural Research and Development Institute.
P.A.P.	=	Peoples' Action Party.
RIDA	=	Rural and Industrial Development Authority.
U.M.N.O.	=	United Malay National Organisation.
UNCTAD	=	United Nations Conference on Trade and Development.

PREFACE

Development entails a revolutionary process—political, social and economic. The world has become too accustomed to associating revolutionary process with violence, successive governments and even bloodshed. Malaysia, through the exercise of a practical application of moderate and balanced leadership, has been able to content itself to a silent revolution. The success of Malaysia's national development effort is living testimony to the righteousness of the course through which the nation has been steered into achieving its objectives.

The architect of Malaysia's development programme is the Hon'ble Tun Abdul Razak bin Hussein, Deputy Prime Minister and Minister of National and Rural Development. His blueprint for action is the blending of political, administrative and civic forces into a system of inter-communication between the Government and the people. The result has been that the people are free to exercise their right to communicate with their elected representatives making known their ultimate hopes and aspirations.

The Malaysian Centre for Development Studies is publishing this book of collected speeches by the Tun with the hope that it will provide the students of development an insight into the practical aspect of the development process and, at the same time, serve as an inspirational guide-line to development implementors.



TUNKU TAN SRI MOHAMED BIN TUNKU BESAR BURHANUDDIN,
P.M.N., P.N.B.S., P.P.T.
Chairman,
Directing and Co-ordinating Committee of
the Malaysian Centre for Development Studies

EDITOR'S NOTE

The selection of these speeches has been extremely difficult mainly because Tun Abdul Razak has made numerous speeches on various topics during the past ten years. Therefore, considerable care has been taken to choose the best and the most suitable speeches—speeches that express clearly his philosophy on social, economic and political questions.

To read the speeches of this man of destiny is to read the stirring story of Malaysia's Decade of Development.

Tun Razak has introduced and implemented a unique system of progress which has produced tremendous results—results that have astounded both the developed and the developing nations. That being so, his speeches on vital national issues will be read with great interest by people not only in Malaysia but also overseas.

There are in this volume speeches made during his tours abroad, speeches in Parliament, speeches at conferences and seminars and speeches in lighter vein at social functions.

Most of his speeches reflect the official Malaysian Government policy. They are arranged under different sections and each speech is preceded by short explanatory notes on the background of his talks. This arrangement, it is hoped, will enable the reader to gain information on matters Malaysian.

J. VICTOR MORAIS



Tun Haji Abdul Razak bin Dato' Hussein.

TUN ABDUL RAZAK—
A Profile

By J. VICTOR MORAIS

Few countries in the world have made so much progress in so short a time as Malaysia has done. Today she enjoys the highest standard of living in Asia outside of Japan.

Undoubtedly the most outstanding achievement of post-independence Malaysia is its national and rural development. The entire country has been transformed as never before in centuries of colonial rule. More than 200,000 acres of new land comprising some 75 land schemes have been opened up and more than 16,500 families—once landless and helpless—find a new way of life and a new hope in these schemes.

These schemes have led to the concept of greater land schemes based on a single large regional area—like the Jengka Triangle involving 150,000 acres. By 1970—the end of the First Malaysia Plan—some 140,000 more acres would have been opened up for the benefit of another 21,000 families.

IMMENSE STRIDES

The remarkable changes brought about by the country-wide national development drive constitute a modern miracle in nation building. The free world today admires the immense strides this country has made in all fields of human endeavour.

What has brought about this great transformation? Who are responsible for it?

While Tunku Abdul Rahman, the Prime Minister and the Father of the Nation, remains as the main source of inspiration and the pillar of strength, it is Tun Abdul Razak, who has been and still is the presiding genius behind the phenominal progress of national development in Malaysia.

How did Tun Razak become what he is? How did he achieve such sensational results so soon? What is his technique? What is his doctrine? Is he an effective leader?

Both friend and foe will agree that he is the most fascinating and dynamic personality on the current Malaysian political scene. For he is the author of new hope for the millions in our rural areas—areas that had been neglected for centuries.

To understand Tun Razak and appreciate his work one must look at his background. He was born on 11th March, 1922, at Pulau Keladi, Pekan, Pahang.

Educated at the Malay College, Kuala Kangsar, he showed considerable promise from the very start. He was awarded a scholarship in 1940 in Raffles College, Singapore. War interrupted his studies but in 1947 he was awarded a scholarship to study Law in England and in October of that year he joined Lincoln's Inn, passing the Bar Final in April, 1949—in less than 18 months. He was called to the Bar in May 1950. Tun Razak attended the Second Devonshire Course in 1949 and returned to Malaya in May, 1951.

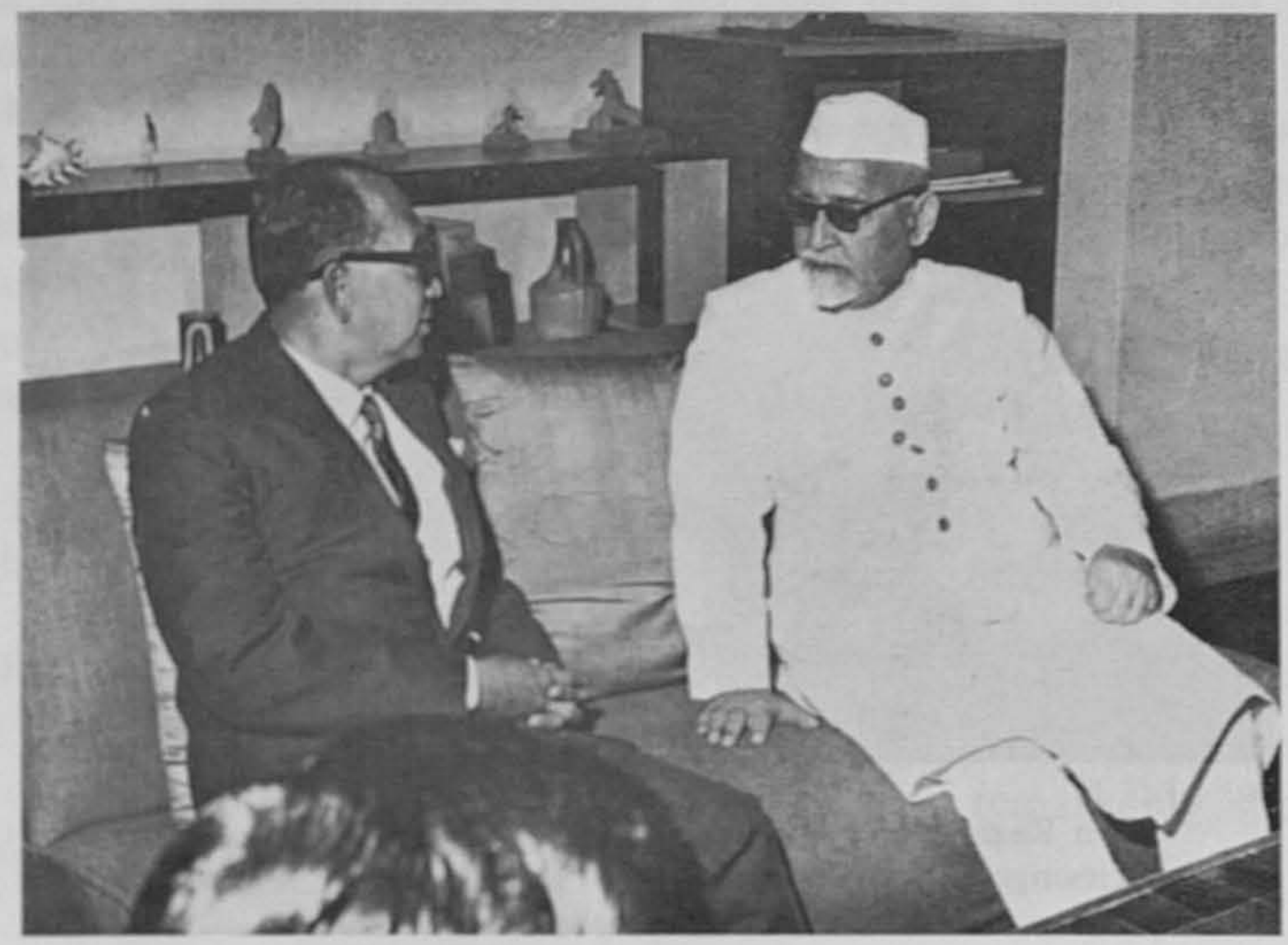
TRYST WITH DESTINY

In August 1950, he inherited from his late father, Dato' Hussein bin Mohd. Taib, the title of Orang Kaya Indera Shahbandar (O.K.I.S.), a major Chief of Pahang. Other orders include the title of Tun and Datoships from Johore, Kelantan, Brunei and Trengganu. Honours were also conferred on him by Vietnam, Korea, Thailand, Philippines and Belgium.

As a little boy he saw the dreadful conditions in the rural areas before the war. He had to walk barefoot to his Malay school—a school with mud floor and attap roof. Most of the children came from the poorest of poor families. Their sufferings and the sufferings of his people in general left an indelible impression on him.

No wonder then that he showed signs of ability to lead and influence people from an early age. During the Japanese Occupation when no one dared to speak up or do anything against the Japanese, he joined Force 136, the Malayan Resistance Movement, "Wataniah". He soon held the rank of Captain in that Force. It was then he made a tryst with destiny—to free his country from foreign domination and to free his countrymen from the quagmire of poverty, ignorance and illiteracy. Today he is engaged in redeeming that pledge.

THE TUN MEETS WORLD LEADERS



Tun Abdul Razak with President Zakir Hussein of India during his visit to New Delhi.

Below the Tun is being greeted by Mr Dudley Senanayake, the Ceylon Prime Minister, on arrival at the latter's residence in Colombo on 14th April, 1965.





Tun Razak hands over a present to Federal Chancellor Kiesinger during his visit to Bonn, West Germany in May, 1968.



Britain's Minister of Defence, Mr Denis Healey, greets Tun Razak on arrival at the Ministry of Defence in London.

But how is he doing this? What is the secret of his success as the pace-setter? Suffice it to say that his wartime experiences and his stay in England had opened his eyes to the urgent need for leaders—dedicated leaders ready to sacrifice everything for the sake of the country. He decided to set an example. With this aim he became the Secretary of the Malay Society of Britain. It was here that he came under the influence of the Prime Minister who was also then studying Law. Soon after his return to Malaya at the age of 30, he became the State Secretary of Pahang—the youngest man ever to hold this position in any part of Malaya.

Three years later he was promoted as the Mentri Besar—a tribute to his hard work, energy and industry.

For a man of his age, he is without an equal in Malaysia. For no leader in Malaysia has risen to such a position of prominence as Tun Razak has done, and that too, in a remarkably short period.

INDEPENDENCE STRUGGLE

It was in February 1951, when he was not yet 30, that he was appointed an official member of the then Federal Council and served until the Council was prorogued. Tun Razak was appointed Minister for Education, Malaya, on August 9, 1955.

At this time, 1955, Malaya was moving towards independence and Tun Razak was one of the first to join the independence struggle. It is a fact that he played no small a role in the smooth transition from colonial domination to an independent Malaya. He was a member of the Merdeka Mission to London in January 1956.

After Merdeka, in 1957, Tun Razak was made Deputy Prime Minister and Minister of Defence—a vital post at a time when this country was still being harassed by Communist guerrilla warfare. His dynamic approach to various problems and his dedication to the principles of democratic government helped unite the various races.

Together with the Prime Minister he spared no efforts to bring about victory in 1960 after 12 years of bloodshed and murder caused by militant Communists.



During his visit to Moscow, Tun Razak met several Russian leaders including Nikolin Podgonny, Chairman of the Presidium of the Supreme Soviet U.S.S.R. Here he is having a discussion with Mr Gromyko, the Russian Foreign Minister at the Foreign Office.



The Tun also visited the Netherlands and had an audience with Queen Juliana and Prince Bernhard at the Soestdijik Palace. Accompanying Tun Razak and Toh Puan Rahah were Datin Elieen Kuok, wife of the Malaysian Ambassador (extreme left) and Dato' Philip Kuok, the Malaysian Ambassador to the Netherlands.

Although the battle against Communism had been won in mid-1960, the battle for democracy was about to begin.

Thus, when Tun Razak, who was then Deputy Prime Minister and Minister for Defence, was given the additional duties of Minister of National and Rural Development, he tackled the new job with a dynamism and a determination that produced dramatic results.

A man of clear vision, he foresaw that the only way that the framework of true democracy could be laid is on a foundation of economic stability, a foundation of freedom from poverty and on a firm base of unity among the diverse races of Malaysia.

This indeed was a testing time—a time of troubles and problems. But it was also a time of hope and new beginnings. He knew that the road Malaysians had to travel was a long one—but travel it, they must. Thus, despite difficulties, he has kept development on its course and has maintained its momentum.

THE RED BOOK

From the outset he warned his development officers: "Let no obstacles, however forbidding, hamper or halt your march to greater development".

Tun Razak has given top priority for national and rural development. He travels thousands of miles every month to see for himself the progress of every development project in every corner of Malaysia. He has brought the administration down to the kampong folks. He goes there to teach, to lead and to inspire the officers and men responsible for the various undertakings. Even villagers' views are sought on programmes and projects.

In order to stress to his officers the importance of implementing the development plans without delay he has introduced several innovations which have aroused their interest and the interest of all Malaysians. One great technique he adopted is the "Red Book". The spirit of the "Red Book" is the antithesis of "Red Tape".



Tun Abdul Razak, who arrived in Jakarta on August, 11, 1966 to sign the Peace Agreement paid a courtesy call on General Suharto, the Indonesian President, who was then the Army Chief.



The U.N. Secretary-General, U Thant, greeting Tun Razak when he went to attend the twenty-first session of the General Assembly on 26th September, 1966.

There is today a "Red Book" in every District and State Development Operations Room. In introducing this, Tun Razak issued the following directive:

"A District Rural Development Plan, if carefully thought out, and actively implemented, will benefit the livelihood of many thousands of people in the district; it will contribute considerably to the future prosperity of Malaya; it, therefore, deserves the very best effort that can be put into its preparations".

"Careful co-ordinated planning will save time, tempers, energy, and funds when projects are in progress. Time spent in careful planning is well worthwhile".

"Departmental differences can be the death of development. Co-ordination and co-operation are the life-blood of all action on development. All departmental officers must play their part and work together as a team".

Each Red Book contains the development plans of various projects in every district in each State.

OPERATION PROGRESS

To encourage people participation in the development drive, Tun Razak launched on 14th March, 1966, a Community Development Programme called Gerakan Maju (Operation Progress). This Gerakan Maju has since assumed a more prominent role in co-ordinating the activities of Ministries and Government Departments, particularly at district level.

Yet another innovation which has already proved popular is Jayadiri (Self-Improvement) Campaign. This is aimed at preparing Malaysians to adapt themselves to changing needs, to use fully all available resources and to exert themselves so that all their individual efforts can produce positive results in national and rural development. The programme entails a joint effort by both the Government and farmers and utilises one single effective force in which all the Government Extension Services are made more responsible and the farmers more active participants in the economic life of the nation.

By a remarkable combination of firmness and restraint, the Tun, as he is known to all, gets his officers to do things and to do them fast. "Results are what we want," he told them.

On another occasion he said: "It does not matter who you are; it does not matter what you are; it does not matter where you are; it does not matter how senior or junior you are; it is the progress on development projects that matters and that all of you must sacrifice both your personal and departmental pride to co-operate and co-ordinate to get quick results.

Results he gets, for he has a genius for driving home in simple language the urgent need for action in national development. He does not tolerate inaction, indecision or inefficiency.

From the outset Tun Razak stressed: "The greatest safeguard of our country's sovereignty is not only Defence, but even more so, Development".

He wanted economic imbalances between the urban and rural people to be removed. He gave rural development top priority in order that it did not lag behind but improved hand in hand at the same pace as industrial and urban development.

POLITICAL LEADERSHIP

"The first basis for economic development," he has said, "is the type of political leadership which will not waste national emotions on non-essential rabble-rousing or continuous beating of the corpse of colonialism and imperialism but on political leadership that can channel national emotions into action and national energies into development results".

Tun Razak's power of application is remarkable. His, now famous, National Operations Room was set up in September 1961. It is from here that he directs the country-wide development drive. The large wall maps, the charts, the multi-coloured drawing-pins and tiny flags indicate the various stages of the different projects. Today there are Operations Rooms in every State, every district and every village. They are not mere prestigious show-pieces to impress visitors—they are nerve-centres of the development of the nation.

Let Tun Razak speak: "These Development Operations Rooms are not to keep one's finger on the pulse of progress when the pulse is beating, but rather, to be able to put one's finger on the places where the pulse of development has stopped beating so that an accurate diagnosis of difficulties and delays can be carried out and defects rectified with speed".



Tun Razak at the Indian Prime Minister's office in New Delhi on 2nd May, 1968, when he discussed with Mrs Indra Gandhi prospects of increasing the economic and technical collaboration with India.



The Australian Prime Minister, Mr John Gorton, accompanied by Tun Razak, visiting the famous National Operations Room in Kuala Lumpur on 12th June, 1968.



On left, Tun Razak and the Danish Prime Minister Hilmar Baunsgaard.

Below the Tun meets the French Prime Minister, M. Couve De Murville in Paris.



True to the dictum that you can't push a man up the ladder unless he is prepared to climb a little himself, Tun Razak, time and again, has instilled into Malaysians the spirit of self-help—gotong-royong. The example he has set and the purposes he has inspired have guided his fellow-Malaysians in all their undertakings.

Tun Razak's imaginative thinking and planning, his optimism and courage and his dedication and sincerity have produced for Malaysia a blue-print development which is unique in the history of new and independent developing nations.

His tenacity of purpose, his energy and his capacity for hard work have infected the spirit of Malaysians, especially the Malays, and has given them new confidence in gotong royong—the golden key to success. From the beginning he was aware of the monumental difficulties facing him but he is one who would rather light the candles than curse the darkness.

Visiting towns and villages, including the remote kampongs, he spearheaded the development programme, designed not only to give the country stable economic projects, but also an emotional and national unity towards a better way of life based on a sound political, economic and social structure.

SIGNIFICANT PROJECT

More projects are now under way than ever before. Better results are being achieved every month in every district. There are still more schemes to be launched. Development has, indeed, become the main preoccupation of the people of Malaysia. This is mainly due to the inspiring leadership of Tun Razak whose crusade for national development has only one aim—the greatest good for the greatest number—in the shortest possible time.

One point of paramount importance that he always stresses in his speeches to his development officers is this: "In your sincerity to do your best, you may sometimes lose your way but never, never lose your heart".

The national development has already achieved significant progress—a progress that has astounded leaders and statesmen of other countries, who have had opportunities to see what has been done in Malaysia. Some of them have been so impressed that they have already adopted the techniques used in Malaysia.

Today hundreds of thousands of people especially in the rural areas are reaping the benefits of the massive Development Plan.

In separate cables to the Tunku and Tun Razak, Mr James R. Shepley, the publisher of Time Magazine who came here with an American business group recently said, "Many times en route my travelling colleagues and I recalled our brief but splendid stay in your country. It was one of the high points of our trips to see how successfully you, your government and your people have accomplished the Malaysian miracle."

The cable to Tun Razak was received on 11th March, 1969 with "happy birthday greetings."

Despite the vast range of problems confronting him daily, particularly as Minister of National Development, the Tun has shouldered greater responsibilities as Prime Minister in the absence of the Tunku when overseas. This is as it should be because he will become one day, in his own right—the right of ability—the Prime Minister of Malaysia.

UNSELFISH SERVICE

By his words, by his actions and by his deeds Tun Razak has strikingly demonstrated his favourite theme of unselfish service for the nation.

"It is not enough to maintain the present tempo of development. We have to do a lot more," he says. Under his direction the tendency on the part of Government officers to focus too much attention on files and paper work has been eliminated. For a bureaucracy, he thinks, can sometimes smother a man in a blanket of rules and regulations, endless red ribbons and formalities.

He continues to tell his officers to get on with work on the ground. As a result of his driving leadership, more work has been done and better results achieved in all departments of the Government.

Adlai E. Stevenson, the famous American statesman, once said: "We have been the victims of the past; we don't intend to be the servants of the future".

Tun Razak thinks in the same way. As a politician and statesman of the highest order, he has always emphasised the importance

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of doing the right thing at the right time. "Destiny marches on and does not wait for our leisure," he has said.

Tun Razak's achievements are not confined to national development alone. As Minister of Education, he produced the Razak Report on Education which laid the foundation of educational policy in this country and fostered the spirit of unity in the nation while recognising the richness of diversity.

In recognition of his contribution to the advancement of education, the University of Malaya conferred on him the honorary degree of Doctor of Laws—an honour richly deserved.

This is what the Public Orator, Prof. Eliezer, said in the course of the Citation: "The University is happy to claim this man of destiny as one of its alumni, for he was a student of Raffles College. The University and especially the Kuala Lumpur Division, owes a great deal to him. He has upheld in many ways the three L's that Disraeli postulated as the basis of a good university—Light, Liberty and Learning".

MAGSAYSAY AWARD

On 13th August, 1967, Tun Razak was given the Magsaysay Award by the Magsaysay Foundation of the Philippines for his outstanding contribution to national and rural development in Malaysia.

> *"By this election the Board of Trustees recognizes a politician administering with quiet, efficient and innovative urgency the reshaping of his society for the benefit of all".*
>
> *"From his Operations Room, and duplicated in every State and District headquarters, Tun Razak keeps constant watch on performance by each agency of government assigned responsibility for a share of the work. Scheduled and surprise inspection trips take him 60,000 miles a year. Often working 16 hours a day and living modestly, he expects and gets dedicated service from his subordinates. In his relentless drive to insure that clear plans become early reality, the inhabitants of the old Kampongs see their best hope for a new way of life in Malaysia".*

It is a measure of his quality that despite the pressing problems of the nation, he has been able to serve on various organisations. As early as August 1950, he was elected leader of the United

Malays National Organisation Youth Section and became one of its Vice-Presidents. About the same time the following year he became the Deputy President of the UMNO and has been re-elected annually since then.

A keen sportsman, he is the President of the Olympic Council, Malaysia, and Malayan Hockey Federation. He also serves as the President of the Council of Outward Bound Trust, Federation of Malaya, Federation of Malaya United Nations Association, Royal Asiatic Society, Malaya Branch, Malayan Historical Society, Malayan Zoological Society and Federation of Malaya St. John's Ambulance Association and Chairman of Advisory Council of Malaysian Association of Youth Clubs. In this connection, it is interesting to recall that he is the founder-president of Pahang Adult Education Association, he was Chairman of Pahang State Development Board for many years and was representative of the State on the then Rural and Industrial Development Authority.

Tun Razak has shouldered yet another responsibility of alternating with the Tunku as Minister for External Affairs of the country.

THE PEACE TALKS

The Tun has represented Malaysia at the Commonwealth Prime Ministers' Conference in London in September 1962, and led Malaysian delegation to the United Nations on 22nd September, 1966. He attended the Peace Talks between Malaysia and Indonesia on 29th May, 1966, and on 2nd August, 1966, attended the Foreign Ministers' Conference in Bangkok and signed the agreement normalising relations between Indonesia and Malaysia on 11th August, 1966, at Jakarta. Tun Razak paid an official visit to Burma on 22nd December, 1966, and led a goodwill tour of East African countries in 1965. He visited the United States at the invitation of the American Government in April-May 1966.

In order to enhance his aims of national development he visited nine European countries in May 1968. One of his main objectives was to seek help from "beyond the Commonwealth for the needs of our economic development". In many ways his mission was most fruitful. First and foremost, the Western European countries he visited are also members of the "Aid Malaysia Club". Perhaps

the most significant part of the tour was the invitation by the Soviet Union to visit Moscow.

On the whole, Tun Razak created a tremendous impression wherever he went. Typical of the welcome accorded him is the tribute paid by Mr W. de Clerq, the Deputy Prime Minister of Belgium, who, at a lunch in honour of Tun Razak, sad: "I know the importance you attach to the development of your country and the outstanding work you have accomplished in this field in these last few years. Allow me, in the name of the Belgium Government, to express our heartfelt congratulations. I have been told that the people of Malaysia awarded you the title of "Father of the Development". I am convinced that you have fully deserved this most flattering qualification. . . ."

And this is what Suddentache Zeitung, a German newspaper, said about Tun Razak during his visit to Bonn on 21st May, 1968: "Tun Razak is almost the exact opposite of his friend, Tunku Abdul Rahman. The Tunku, a jovial nobleman, is loved—Tun Razak, a serious-minded hard worker, is respected. He is a reserved man, a man of administration. . . ."

WIDER HORIZONS

The main advantages gained by Tun Razak's tour are an abundance of goodwill for Malaysia, wider foreign policy horizons and better prospects for development aid which most of the countries he visited have pledged.

Noted for his integrity of thought, integrity of word and integrity of deed, Tun Razak is a man of deep conviction—the conviction that no sacrifice can be too great for any true Malaysian for achieving success in national development. That is his creed—the creed by which he lives and works!

Tun Razak understands the mind and mood of the present generation better than probably any other leader. He has given Malaysia a new heart. Indeed he has carved a niche in the temple of fame. There is no doubt whatsoever that Tun Razak has done enough to find his own place in the history of the nation and in the hearts of his countrymen.

Few people in Malaysia know Tun Razak better than Tun Tan Siew Sin, the Finance Minister. Speaking over Television

Malaysia to mark Tun Razak's 47th birthday on 11th March, 1969, Tun Tan said, "He has a strong sense of justice and is always anxious to be fair particularly as between one community and another. This is one trait which has come to the surface repeatedly throughout all the years that I have known him.

> *"Another character trait which he exhibits strongly is his feeling that the more power you have, the more essential it is to use that power with the utmost restraint. I am convinced that when Tun Razak succeeds the Tunku, he will be a credit to Malaysia, because he has the qualities which should make him an outstanding leader of any multi-racial society," added Tun Tan.*

One will be amazed to read his record of service. A serious-looking man, during his waking hours he is thinking, sometimes thinking aloud with his close associates how to improve the lot of his people.

Some Razak-watchers have accused him of being too pro-Malay, but those who know him well completely deny this. The critics do not understand that his dream is the development of a real 20th century democracy—a democracy based on social and economic equality, a democracy in which all Malaysians—Malays, Chinese and Indians—can play a more meaningful role in nation-building.

WHAT CRITICS SAY

Others blame him for pushing the national development too fast and too far. Can those who have to implement his policies and schemes keep up the same pace? they ask.

The critics say: Lead he must, move ahead he must, and achieve results he must. But there are times, slow down also he must, if he wants to enjoy the "scenery".

Let it be said at once, that in spite of the heavy burden of high office, he rests and relaxes as often as he can. Like most Asian fathers he spends some time almost daily with his children—five boys. His day begins at 6 a.m. The first thing he does is to go into his special Prayer Room. After a few minutes there he has his coffee and then reads the newspapers. If time permits he goes for a round of golf twice or thrice a week, before

starting work at 9 a.m. He works more than 12 hours a day. Most of his evenings are occupied with meetings and conferences or welcoming both local and foreign visitors.

Tun Razak has a rare sense of humour and his speeches are always saturated with jokes and anecdotes. In his office, contrary to general impression, he is liked and respected by his staff.

"We have always found him understanding, considerate and kind," said one officer.

At home he is a warm-hearted host who treats all guests alike. Even the humblest worker is welcome in his home.

Indicative of his popularity is the fact that seldom a day passes without his having to address either a seminar or a conference, either a lunch meeting or a banquet.

TUNKU'S TRIBUTE

Statesmen, politicians and educationists have praised him in glowing terms for the valuable contribution that the Tun has made but what is most significant is the tribute paid to him by the Prime Minister. Describing the success of the Five-Year Plan Tunku said, during his Hari Raya message on 21st December, 1968, that it was "an achievement that has surpassed our wildest dreams".

Continuing the Prime Minister said, "The success of the Five-Year Development Plan was due to the great skill and high sense of duty of all those concerned.

"Topping the list is our Deputy Prime Minister. He and his officers have never ceased to move about from one end of the country to the other, to see and supervise the implementation of the Plan and to stir the people to greater deeds.

"The machinery of Government has also helped to maintain the tempo of work contained in the Plan and the efficiency of the administrative service.

"No other country, either new or developing, can claim to have done as much as we have in our years of office".

No tribute to Tun Razak is more deserved than this from his Prime Minister.



Tun Razak and Toh Puan Rahah.

But Tun Razak does not claim all the credit for the success Malaysia has achieved in national development. Although he is often a hard task-master he seldom fails to express appreciation, from time to time, if the officers carry out the various development plans to his satisfaction.

Moving the adoption of the First Malaysia Plan in Parliament on 15th December, 1965, he said this: "I would like to give high praise to the many thousands, who cannot applaud themselves,—the administrators, the engineers, the doctors and all the civil servants, too numerous to mention—for the loyalty, dedication, hard work and enthusiasm which they have given as a major contribution towards the development progress of our country during the implementation of our last Five-Year Plan".

Life is, indeed, a long lesson in humility.

A FITTING MONUMENT

This biography of the Tun will be incomplete if it does not record the important role played by his wife, Toh Puan Raha, who in her own charming way, has been of immense inspiration to him. On her own she has identified herself with varied public activities. The Toh Puan Raha Hall in the Girl Guides Headquarters will remain a fitting monument to the service she has rendered the Guide Movement in particular and the country in general. By going with Tun Razak on his tours both in this country and overseas she has acquired all the qualities necessary for the wife of Malaysia's next Prime Minister.

As a husband-wife team Tun Razak and Toh Puan Raha have done much to inculcate the noble values of public duty and sense of service to the society. They have opened new vistas of choice and opportunity and a new outlook for all Malaysians. And Malaysians will do well to remember this Malay poem which Tun Razak often quotes:

"High mountains, we'll climb together,
Deep seas, united we'll swim,
Let us with one heart endeavour,
To overcome our difficulties—and win."

The "Iron-Man" of the Malaysian Cabinet, Tun Razak is a thinker and an idealist, a democrat and a humanist, a politician and a statesman, and, above all, a true sportsman and a gentleman.

Yes, he is a many-sided genius. No doubt he is today the idol of hundreds of thousands of Malaysians, especially of the younger generation, who look upon him as their unerring guide and sincere friend.

Tun Razak, judging by what he has done and still is doing, is a man in a hurry—a man with a noble mission to fulfil. His vision for Malaysia is a prosperous and peaceful multi-racial democracy. In short, he is a man born to build and to lead.

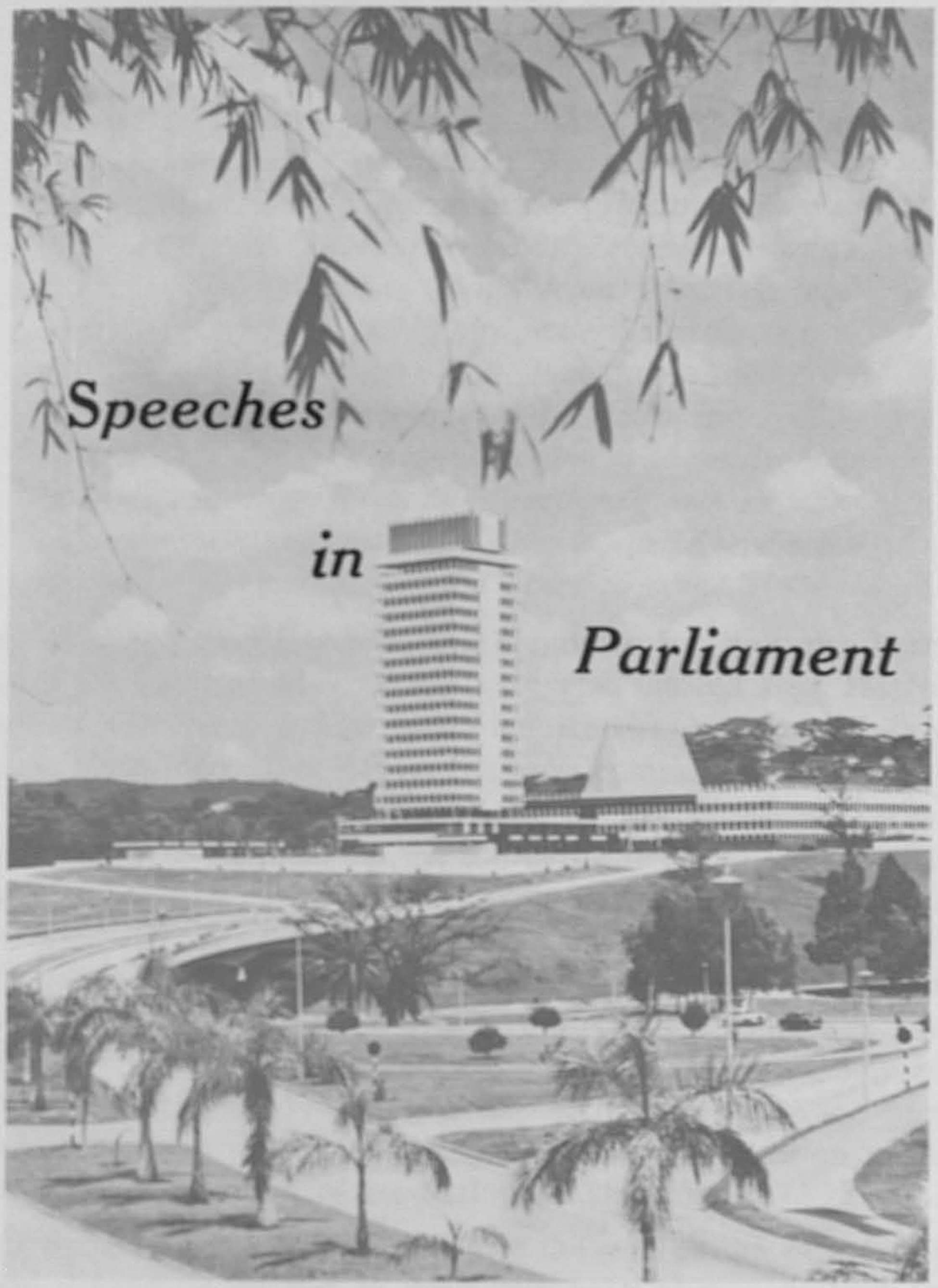
When one thinks of him one cannot help recalling the famous Malay saying:

Lebeh berharga mutiara sebutir daripada pasir sepantai.

(*It is more valuable to have one pearl than a whole beach of sand.*)



Former President Lyndon Johnson is seen presenting a gift to Tun Abdul Razak during his visit to Kuala Lumpur on 30th October, 1966. Behind Mr Johnson is Mr James Bell, the American Ambassador to Malaysia.


Speeches
in
Parliament

MALAYSIA'S THREE MAJOR PROBLEMS AND THE AGENDA FOR ACTION

In introducing the Development Estimates for 1969 totalling $889,446,354, in the Dewan Ra'ayat on Monday, 3rd February, 1969, Tun Abdul Razak listed three major problems which confronted the nation during the past three years. The problems were: First, the sharp drop in the price of rubber to 43.5 cents in February, 1968; Second, Britain's decision to withdraw troops from Malaysia and Singapore by 1971 and, Third, external assistance to finance the Five-Year Plan had fallen short of expectations. In the course of the following speech Tun Razak stressed "the Government is resolved to redouble its efforts in all directions" and he concluded his remarks thus; "This is the Agenda for Action this year and in the years to come."

In presenting the Development Estimates for this, the fourth year of the current Plan, I am very glad indeed that Hon'ble Members also have before them the Report on the Mid-Term Review of the Plan. This Report is a most comprehensive survey of the performance of the economy during the last three years. It is a painstaking attempt to assess the achievements against the original Plan targets—and come to grips with our current problems of development. It also takes a close look at our prospects for 1969, 1970 and the years beyond. For the first time, too, this document is being published simultaneously in the National Language. This is done not only to implement Government's language policy but also because we believe it to be important that more and more people, from every walk of life, gain better appreciation of the intricate inner workings of the Malaysian economy.

Mr Speaker, Sir, we never consider the publication of a neatly-bound volume as an end in itself. We have always stressed and demanded results. Results are not achieved if we decide on a plan and then leave it at that for years before we review and assess our policies and plans. In fact, the Plan has been reviewed repeatedly and adjusted to meet changing circumstances and new high priority needs as they have emerged. It would be a great mistake indeed if a Plan, so well intentioned and carefully formulated, were to

be inflexible and rigid. This has certainly not been the case since our foremost concern is to increase the income and welfare of our people.

Mr Speaker, Sir, the record of the past three years presented in this volume is very encouraging. I would describe it as creditable and even impressive. We, the Alliance Government, can justifiably be proud of the record of the progress made. In many respects the achievements exceeded Plan targets. If Hon'ble Members will ponder for a moment the difficult circumstances and complex problems which have confronted us they will be doubly impressed with what we have achieved. I feel it is very necessary for Hon'ble Members to appreciate fully the problems and pitfalls of planning in an open and free enterprise economy such as ours. If this is understood then our debate will be more productive.

What problems confronted us during 1966-68? There were three major difficulties:

(*a*) Firstly, we experienced a sharp decline in the price of rubber which dropped to 43.5 cents in February, 1968. This was the lowest level since 1949 and represented a far steeper and earlier decline than anticipated in the Plan, which assumed a gradual fall to 55 cents by *1970*. A decline of this magnitude, coming so early in the Plan period, seriously affected Government revenue and expenditure as well as private investment and the overall performance of the economy. The price of other major exports such as tin and palm oil also declined more than originally envisaged particularly palm oil which dropped to an average price of $44 in 1968 as against the plan assumption of $580 per ton.

(*b*) The second adverse factor was not at all foreseen at the time the Plan was formulated. This was the decision of the British Government to withdraw its troops from Malaysia and Singapore by 1971. This announcement was soon followed by actual rundown of troops in East Malaysia when "Confrontation" ended. Apart from the need to fill the vacuum and man the installations, the airfields and forward bases, Malaysia stands to lose an important source of foreign exchange earnings and employment opportunities

It affects us immediately as it is necessary to allocate a large proportion of the available resources to further equip, train and strengthen our defence capability and our state of preparedness. We must be prepared to defend ourselves if we are to continue to survive and prosper.

As I informed the House recently, the Philippines has on several occasions violated our air space. It has also encouraged clandestine organisations to create trouble in Sabah and trained Commandos at a secret island base for an onslaught on our territory. Communist-inspired elements from within and along our borders in the north and in Sarawak are increasing their acts of subversion and threats to lives of peace-loving and innocent men.

(*c*) Finally, the quantity of external assistance received to help finance the Plan has fallen short of expectations. We had set a five-year target of $1,900 million to be obtained from abroad as loans and grants. Our creditworthiness is strong and we can fully justify foreign borrowing of much more than this amount. But the amounts actually made available to us for such borrowing have been disappointingly low despite vigorous efforts on our part to accommodate ourselves to every feature of the aid programmes and to the individual styles of donor countries.

This shortfall arises partly from the nature of the aid offered to us—which is mostly tied to purchases from the donor country concerned—and partly from the nature of the Malaysian economy, which is basically agricultural and offers few projects with a sizeable component of foreign expenditure to be made in a single donor country. It has proven difficult to match aid offers to purchases in foreign currency, simply because most of the high priority projects in the Plan are for land development, drainage schemes, school buildings, agricultural research, extension and so on which require few, if any, imported items of equipment.

Although over $500 million have been offered under various terms and conditions, it will be difficult for us to absorb the amount fully unless there is a radical change in the aid policies of donor countries. We had therefore to rely more and more on our own resources. Fortunately this has been possible. Domestic borrowing in the last three years had been stepped up to reach the Plan target. We had also to supplement domestic borrowing with loans from the international capital market. But with the scarcity of capital generally and the economic and balance of payments problems faced by several developed countries, our success in raising the projected amount has been somewhat limited.

Mr Speaker, Sir, this then is the background against which the record of the last three years should be appraised. It was a period of some concern and uncertainty. But no effort was spared to

implement the Plan as scheduled. The level of development expenditure was maintained while standards of public services remained high. As my colleague, the Hon'ble Minister of Finance, pointed out recently, the basic feature of the Malaysian economy lies in its strength and resilience. The sharp decline in the price of our major exports was fortunately offset by substantial gains in the volume of output and exports, particularly in the case of logs, sawn timber and palm oil. State Governments and public authorities were also able to finance much more from their own resources than originally thought possible. The amount of domestic borrowing was stepped up and there is still scope for additional financing from this source without affecting private investment and consumption.

In short, we have seen the nation respond positively to circumstances which were quite beyond our control. It is a record of which we can all be proud.

Mr Speaker, Sir, how did we fare in these circumstances? During 1966-68 the Malaysian economy grew by 6.7% per annum at constant prices. This is 2.2 percentage points higher than the rate envisaged in the Plan and 0.5 percentage points higher than the rate achieved in 1961-65, when conditions were more favourable and there were no financial difficulties. At current prices, the value of output grew by only 5% per annum, but this is still 0.6% higher than the rate anticipated in the Plan. Total real income accruing to Malaysia grew by an average of 4.1% a year in 1966-68. After providing for the annual population increase of 3%, real per capita income grew by over 1% per annum, which is twice as much as was projected in the Plan. A higher rate of growth would have indeed been achieved had it not been for the sharp decline in the price of our major export products.

There are other indicators by which the progress made during these years can be seen. The basic aim of the Plan—to increasingly diversify the economy—has been advanced dramatically given the short time on which this objective has been actively pursued. Besides being the world's largest and most efficient producer of natural rubber and tin, Malaysia is now the largest exporter of palm oil. We are probably also the world's leading source of tropical hardwoods and the second largest producer of pepper.

We have pioneered revolutionary new processing and presentation methods for natural rubber. This is the major breakthrough of the decade, comparable to the gains made through rubber replanting in the 1950s. We recorded significant increases in the

volume of fish landed and are already exporting to high income markets marine products such as fish and prawns. We are also self-sufficient in poultry and eggs. Major irrigation projects for double cropping of rice are now being implemented and, with the introduction of new padi varieties with higher yields, Malaysia will be close to self-sufficiency in rice in the early 1970s.

Our exports of logs and sawn timber have increased tremendously in a short period. We are increasing the large-scale cultivation of such annual crops as tapioca and maize, also with the export market in prospect. These and others to come will broaden the base of our agricultural production and bring more prosperity to the country. Manufacturing, which continued to record a high rate of growth, now accounts for over 11% of GNP compared to 8.7% in 1960. In the early stage, the strategy for industrial development was keyed towards replacement of imports. This is a relatively easy phase—converting importers and traders into industrialists. Now and in the future, we require more risk takers and entrepreneurs who can brace themselves and meet the real challenge of winning markets overseas.

The Alliance Government's economic policy of permitting private initiative and competition to provide the increases in production and employment opportunities that the nation requires has proven to be sound. And I have no doubt that the private sector will continue to support the Government in this effort as they have done in the past. There is a need to ensure a closer dialogue and exchange of views between the Government and the private sector. The recent exchange of views on development with the private sector has proved extremely useful and I will ensure that these consultations will take place more frequently in the future.

In this task, too, we have encouraged the growth of healthy and progressive employer and employee relations—because such relationship is vital to an understanding of the difficult and complex task of development and nation-building. I am glad that we have in Malaysia trade unions and their leaders who appreciate and understand their role and have acted responsibly.

To assist agriculture and industry attain better performance and increase economic and social well-being, we have in this period further expanded the basic infrastructure facilities.

* We have built new trunk roads and improved existing ones to open up land for settlement and provide improved access to major centres of population. The major expansion has been in East

Malaysia along the West Coast of Sabah and Sarawak and around Sandakan and Tawau where several agricultural schemes have been started.

* We have invested considerable sums to expand port facilities at Butterworth and Port Swettenham and will do so soon at Kuching, Kota Kinabalu and Sandakan as well. These improved ports will provide efficient and low cost transport that will benefit consumers, exporters and merchants.
* We have installed sufficient power capacity to meet the growing demand of industry, the housing boom and the appliance revolution. Extension of rural electrification to many kampongs and villages has been progressively made.
* We have built numerous schools in urban and rural areas to fulfill Government's pledge to provide a place for every child of school-going age. The standard of buildings, equipment, laboratories, workshops and other facilities has been improved, and a more diversified curriculum devised to enable the education system to produce young men and women who can be absorbed by industry with little additional training. More and more emphasis has been given to vocational, technical and scientific education as well as to teacher training programmes in these areas.
* We have constructed hospitals, clinics and health centres in various parts of the country. Over 12,800 units low-cost houses were built for the benefit of the lower income groups particularly in the more congested areas. In rural areas we have extended amenities previously obtainable only in the towns so that the people in the rural areas too can enjoy these benefits.

The one area in which achievement has been short of Plan targets is in employment. The Plan had hoped to reduce the rate of unemployment by 1970. Though precise data are not yet available, it does seem that, despite sizeable growth in output in almost all sectors of the economy, the target for new job opportunities was not realised. Unemployment is now estimated to be in the region of 6.8% but rates are much higher amongst young school-leavers, particularly in the urban areas. The nature of output growth itself appears to have contributed to the slower rate of employment growth. The significant expansion of manufacturing output was associated largely with increased labour productivity rather than more men employed.

In the field of agriculture, the progress in diversification, particularly the increasing planting of oil palm, and productivity improvements in the rubber industry, had led to less people being employed in the estate sector. In the smallholder and padi planters sectors, development has probably alleviated underemployment and provided greater incomes rather than created new

employment opportunities. Shortfalls in private sector land development also resulted in the slower growth of employment in agriculture. But we have recently, in consultation with the State Governments, taken measures to speed up the process of land alienation. We have also assured the private sector that if they wish to invest in agricultural development, we will do everything possible to assist them in obtaining land.

Mr Speaker Sir, ever since Merdeka, the Alliance Government has consciously promoted development for the benefit of every member of our society. Our success in raising living standards results largely from the active public support and co-operation of the people whom we have pledged to serve.

There is also abundant evidence of the growing feeling of national consciousness: a true Malaysian has his heart and faith in this country and he wants to play his part in building a strong and vigorous nation. I am most encouraged at the evidence that this consciousness, this pride in being a Malaysian, is strong and has been demonstrated in all our towns and villages—from Kuala Lumpur, Kuching and Kota Kinabalu to Segamat, Sibu and Sempurna—where the old and young alike show their loyalty and determination to fight for the defence of the country when we are threatened.

We need fear no charges of discrimination nor do we ask to be judged on anything other than our record of fairness and accomplishment. A Government dedicated to the service of the people and work for the good of the nation can stand up to any criticism and meet any challenge.

Mr Speaker, Sir, we are far from complacent. The agenda of development in the years to come is still full and exciting. We welcome the challenge and the opportunity to serve our people better. I am confident that a better life for all can be achieved within the present generation but we must act now. This is the message of the Development Budget and the Mid-Term Review before this House.

As Honourable Members will notice, the allocation for this year amounts to $889 million, as compared to estimated expenditure of $630 million in 1968. This refers only to expenditures by the Federal Government and does not reflect the investments of State Governments and public authorities, which have been able to finance much more than previously expected, especially Sabah

and the NEB. Steps have been taken to ensure that the provisions allocated to Ministries/Departments and the States especially in Sabah and Sarawak are utilised more fully in 1969. We thus expect the level of development expenditure to pick up further and attain the revised Plan targets by 1970.

The 1969 Development Estimates also include funds for carrying out some new projects of high priority emerging from the Review of the Plan as well as revisions to the estimated costs of projects. The full implementation of several of these projects will spill over into the Second Malaysia Plan period. In other words, the provisions are designed to enable the necessary feasibility studies to be completed and a pipeline of well-prepared projects to be available for inclusion in the next Plan.

Mr Speaker, Sir, as the Honourable Members reflect on the issues I have discussed and on the progress made, as well as the tasks ahead, we resolve to redouble our efforts in these directions:

(i) We will pursue with vigour the development of agricultural land we have must be utilised fully for economic and social advancement. We need to provide jobs to our young men and women and increase our agricultural production. This policy requires the close co-operation of State Governments and the private sector—to allocate suitable land and invest the necessary capital. We must strive towards a rapid transformation of Malaysia's agricultural production into a more diversified pattern to meet both internal and external markets.

(ii) We will strengthen—with greater drive and energy, time and resources—agricultural research which must precede any meaningful development in agriculture. The MARDI (Malaysian Agricultural Research and Development Institute) Bill already before this House reflects this urgency. Once MARDI is established, it will be staffed with men who possess the necessary skills and experience to provide leadership in the various research disciplines. It will intensify research, with a view to promoting at least one or two new major crops to increase the income and employment in the country.

(iii) The acreage of rubber will be expanded in areas where this crop can be grown. We have every confidence in the ability of Malaysian natural rubber to increase its share in total world demand against the strong competition from synthetics. Our assurance lies in our ability to supply the rubber needed at competitive prices. Rubber smallholders will continue to receive assistance to replant with high yielding material. The 1969 Budget provides sufficient funds to accelerate the rate of replanting. The benefits of the new crumb processing methods developed by the RRI and private estates will be extended to smallholders on existing rubber land and in land

development schemes. Smallholders served by the first of the processing schemes are already gaining by the better quality and price they can get.

(iv) We will establish a national agricultural credit institution to meet the needs of farmers and other producers for short and medium-term capital. This is only the first part, although an important part, of the package of measures that we are developing for the agricultural sector and is essential if the farmers are to be able to purchase the necessary fertilisers, pesticides and farm equipment to improve their productivity and income.

(v) We will expand and seek new markets for our major products, particularly palm oil in which more aggressive sales and promotional measures are needed. Our steadily growing ties with some of the East European countries provide an important new market to be developed. At home more research is needed in product utilisation to find new uses of this raw material.

(vi) We are concerned over continuing problems of unemployment and are conscious that, while the problem will be overcome in the long run through sustained economic development, measures need to be taken to meet the problem in the immediate term. We will, as I have already stated, accelerate the process of land development, under Federal and State schemes and through private sector efforts. More expeditious land alienation and fuller use of alienated land, cost reductions in on-going public sector land schemes and innovations in such schemes, are already receiving priority attention. Youth land schemes are being tried out in some States and every assistance will be given to States in stepping up the size and number of such projects, as a useful supplement to FLDA and other schemes. We will make special efforts to promote labour intensive industries such as wood working and agro-based industries, through appropriate fiscal and other measures. We will endeavour, wherever feasible, to use our abundant labour resources in large-scale public works programmes, including flood control and land clearing. Finally, we propose to increase public development expenditure from the levels of earlier years, not merely to enable the execution of higher productive economic projects but also to bring about a faster rate of employment growth.

(vii) A *review of the structure* of education will be undertaken to ensure that educational output is closely geared to the long-term manpower demand. Today we still lack the professional, technical and middle-level manpower needed for rapid industrial and agricultural modernisation. There is still too much emphasis on white collar jobs. The attitudes of parents and pupils should be re-oriented towards work opportunities in blue collar jobs and in agriculture. Adequate numbers of teachers in the vocational and technical subjects will be provided and the efforts of the various training institutions will be better co-ordinated with the training programmes of industry to achieve greater and quicker results.

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(iv) We will establish a national agricultural credit institution to meet the needs of farmers and other producers for short and medium-term capital. This is only the first part, although an important part, of the package of measures that we are developing for the agricultural sector and is essential if the farmers are to be able to purchase the necessary fertilisers, pesticides and farm equipment to improve their productivity and income.

(v) We will expand and seek new markets for our major products, particularly palm oil in which more aggressive sales and promotional measures are needed. Our steadily growing ties with some of the East European countries provide an important new market to be developed. At home more research is needed in product utilisation to find new uses of this raw material.

(vi) We are concerned over continuing problems of unemployment and are conscious that, while the problem will be overcome in the long run through sustained economic development, measures need to be taken to meet the problem in the immediate term. We will, as I have already stated, accelerate the process of land development, under Federal and State schemes and through private sector efforts. More expeditious land alienation and fuller use of alienated land, cost reductions in on-going public sector land schemes and innovations in such schemes, are already receiving priority attention. Youth land schemes are being tried out in some States and every assistance will be given to States in stepping up the size and number of such projects, as a useful supplement to FLDA and other schemes. We will make special efforts to promote labour intensive industries such as wood working and agro-based industries, through appropriate fiscal and other measures. We will endeavour, wherever feasible, to use our abundant labour resources in large-scale public works programmes, including flood control and land clearing. Finally, we propose to increase public development expenditure from the levels of earlier years, not merely to enable the execution of higher productive economic projects but also to bring about a faster rate of employment growth.

(vii) A *review of the structure* of education will be undertaken to ensure that educational output is closely geared to the long-term manpower demand. Today we still lack the professional, technical and middle-level manpower needed for rapid industrial and agricultural modernisation. There is still too much emphasis on white collar jobs. The attitudes of parents and pupils should be re-oriented towards work opportunities in blue collar jobs and in agriculture. Adequate numbers of teachers in the vocational and technical subjects will be provided and the efforts of the various training institutions will be better co-ordinated with the training programmes of industry to achieve greater and quicker results.

(viii) We will pay special attention to the development of regions faced with special economic problems such as Penang and Malacca. Other areas which show considerable potential as in Southern Pahang, Johore, the East Coast States and in East Malaysia will also be developed on a regional basis. During this year we will embark on a detailed feasibility study of the new East-West Highway which will be an important stimulus to the development of the Penang region as well as Kelantan, Trengganu and Central Perak.

(ix) We will continue to *modernise and upgrade the level of performance in the public service* through post entry training and the introduction of modern management and financial techniques in Government. What we seek is greater economy, efficiency and progress. Further improvements and innovations will be introduced in planning techniques and organisation. We will need to have more officers conversant with economic analysis in the professional sense. In this connection active consideration is being given to the creation within the Government of a nucleus of an economic service.

(x) Finally, the defence and security programme will be mapped out in close co-operation with our neighbours and partners in the Commonwealth—U.K., Australia, New Zealand and Singapore. We need this co-operation not just for security reasons—the need to use increasingly sophisticated weapons systems for our own defence—but also for economic and social reasons. By obtaining military assistance and co-operation from our friends and neighbours we can minimise the tendency of security needs to draw off resources needed for development. Our allies appreciate this link. They fully realise that our security and that of the entire region of South East Asia depend in large part on seeing that our development efforts are not slowed down.

Mr Speaker, Sir, this then is our Agenda for Action this year and in the years to come. We will not be deterred because the list is long and the problems difficult. We will press on with the programmes I have outlined with vigour and determination so that the country may continue to progress and prosper. The Alliance Government has demonstrated that we are a progressive government fully committed to meeting the needs and aspirations of our people. The three-year implementation of our First Malaysia Plan has enabled all of us to progress further towards prosperity and put Malaysia high on the map and in its rightful place among the nations of the world.

We are a democratic government elected by the people, and we work for the people. We are a nation comprising people of many races, many cultures and religions, living in close harmony and tolerance in thirteen component States. Our fundamental objective

in the Plan is to promote the integration of the peoples and States of Malaysia and to build a more united, secure and prosperous nation. We, the Alliance Government, are proud to have been given the privilege and the honour by the people of leading our nation towards the fulfilment of this objective. Mr Speaker, Sir, we have achieved impressive results and success in this task of nation-building. I have no doubt that the electorate and the people will once again exercise their rightful prerogative by returning the Alliance Government which has served, and will continue to serve, the people well. Then, together, we will continue our great work of welding our various races and States into a more stable, progressive and happy Malaysia.

Mr Speaker, Sir, ever since Merdeka when we took over the reins of Government, we have successfully achieved an increase in the level of income and a steady narrowing of the gap between the "haves" and "have nots". Every loyal citizen irrespective of race, culture or creed, will have a rightful place under the sun in the Malaysian nation.

We have the basic assets—sound democratic government, vast human and natural resources and strength and resilience of the economy—to develop more rapidly in unity and economic progress. Our policy is to strive for equality of economic opportunity for all Malaysians. Government's efforts will be concentrated on the people and states whose needs and potential are greatest. In this connection, the relatively under-developed States of East Malaysia and the East Coast of West Malaysia will continue to receive priority attention. Considerable expansion has taken place in East Malaysia in the fields of transport, communications, electricity and water supply systems. And Government will ensure that the already high level of social and community services will continue to be provided.

Mr Speaker, Sir, our people in East Malaysia have clearly demonstrated that they are solidly behind the Government in the task of development and nation-building. Despite the troubles in Sabah as a result of the claim raised by the Philippines, the people of Sabah and Sarawak are undeterred in their determination to overcome external threats and internal subversion. Such national unity and solidarity are the most important ingredients for ensuring development and growth.

Our work in nation-building and in protecting our national sovereignty and integrity will not slacken. Looking back on the

progress achieved we can justifiably draw satisfaction and comfort from the efforts made. But we can assure Hon'ble Members and the people that the Alliance Government will not be complacent. We will intensify our developments efforts so that Malaysia will continue to progress and prosper. We will continue with our avowed policy of maintaining racial harmony, goodwill and fairness to all. With this policy and with our intensified economic development efforts we are convinced, given the support and mandate by the people, that we will ensure a rightful place in our country for everyone of our citizens, young and old, of various racial origins. We are determined to ensure that they will have a standard of living in a decent and modern society, and a bright, happy and contented future.

Sir, I beg to move.

EQUAL OPPORTUNITIES FOR ALL

Malaysia's goals are to provide enlarged and equal opportunities for all. The framework is democratic action with the Government giving the lead and a helping hand in the process of modernisation. What kind of transformation do we want to see in the lives of our people? We want them and their sons to have lively, inquiring, individual minds, each man using his own intelligence and energies to improve his lot. We don't want to place them into a rigid mould of centrally planned economic development. We want them to live their own individual lives as part of the process of betterment with human dignity and free from the state of regimentation, fear and suspicion.

— Tun Razak

BIG POWERS URGED TO GUARANTEE NEUTRALITY OF SMALL NATIONS

That it is in the interests of the big powers to guarantee the integrity, independence and neutrality of the small countries in South East Asia was emphasised by Tun Abdul Razak, when he spoke in Dewan Ra'ayat on 23rd January, 1969, in moving the expenditure for the Ministry of Defence for 1969. His speech follows.

I beg to move the expenditure for the Ministry of Defence shown under Head B 14 totalling $257,542,668 be approved.

Sir, Hon'ble Members may have noticed that the amount voted for our defence expenditure for 1969 shows only an overall increase of $5.58 million over that of 1968. This small increase is merely to make provision for increase in personal emoluments on account of normal annual salary increment and also for the implementation of the approved increase of pay and allowances to all non-commissioned officers and other ranks of the Armed Forces. In actual fact, Hon'ble Members will have noticed that the allocation for personal emoluments in 1969 is $11.58 million more than that of last year, although only an overall increase of $5.58 million was shown in the Estimates.

Sir, this small increase in expenditure does not mean that we are reducing the strength of our Armed Forces or its efficiency. On the contrary, we are steadily strengthening our Armed Forces and also increasing its efficiency and effectiveness.

Sir, I would like to explain that we are in the midst of reviewing our defence policy and planning. For the last 25 years since the end of World War Two, the pattern of defence of Malaysia and Singapore area was determined by the British, assisted by Australia and New Zealand. With the decision of the British to withdraw their forces by the end of 1971, it is necessary to review the whole defence structure of this region and in consultation with

our other allies, Australia and New Zealand and Singapore, to formulate new defence arrangements. It is vital in the national interest for us to ensure that the defence and security of our country are fully safeguarded and it is our Government's policy to do everything possible towards this end.

As my colleague, the Hon'ble Minister of Finance, said in moving this Budget no economic or social development can take place without security. Indeed, Sir, if a country can be compared to a river; the two banks are one, defence and security, and the other, economic stability. The two banks of this river must be kept strong if it is intended that the water should flow freely and that the country should prosper.

Any defence planning must be viewed in the light of likely threats, both internal and external, to the security and stability of this region. The political situation in Southeast Asia is still fluid and the pattern of the future is by no means clear. There are still imponderables and uncertain factors which, at the moment, are difficult to judge or predict with any accuracy. No one can predict with any degree of certainty the outcome of the war in Vietnam, though lately the prospect of peace is brighter with the agreement by all sides to begin negotiations with an enlarged representation in Paris. It is not clear what the position of the new Administration in the United States will be if and when this Vietnam war can be settled peacefully.

Also, we are not clear what is the attitude of the big powers towards this region, in particular, Communist China. If we can succeed in convincing Communist China that the policy of peaceful co-existence in this region is in the interests of all concerned—big powers as well as small powers—and that it is in the interest of the big powers to guarantee the integrity, independence and neutrality of the small countries in Southeast Asia, then clearly we can look forward to a period of peace and stability in this region. Consequently, it will not be necessary for us to spend vast sums of money on defence but we could continue to devote our energies and resources on peaceful economic development.

Again, we have this unhappy and unfortunate situation in regard to our relations with our immediate neighbour, the Philippines. We are still uncertain what the attitude of the Philippines is—how far they intend to pursue their claim to Sabah. Whatever it is, it is our duty to be prepared for all eventualities and to take adequate measures to defend our territories, in particular, Sabah. In this respect, I should like to take this opportunity to express our gratitude to the Sabah Government for their generous contribution to the defence expenditure incurred in that State. This is certainly a conclusive proof that the people of Sabah are solidly behind the Government in their desire to remain in Malaysia.

In view of all these, Sir, it is somewhat premature to be conclusive in our future defence plan. But one thing is certain—that we must now rely on our own resources for the defence of our country. We shall have to continue to expand our Armed Forces, our Army, Navy and Air Force, and we must have a well-trained, highly mobile and effective Army, Navy and Air Force, capable of withstanding any limited form of aggression against our country. Of course, for a small country like Malaysia, it is not possible for us to go it alone if confronted with a general or global world situation or if we are attacked by a big power. That is why, when the British announced their decision to withdraw their forces from this region, we asked for a meeting of the five powers closely concerned with the defence of Malaysia and Singapore, i.e. Britain, Australia, New Zealand, Singapore and Malaysia, to take counsel and discuss problems of joint defence.

We feel that both Singapore and Malaysia need to be assisted in our defence and we consider it is necessary to establish this concept of collective defence arrangements. That is why we had the 5-Power Ministerial Conference on Defence in May 1968 and another Conference in May this year in Canberra. In the meantime, various Working Groups of the five countries have been discussing detailed arrangements which will be submitted for consideration of the Ministerial Conference. It is, therefore, important for us to know what the intentions of our partners are.

The British, of course, have made their decision; Australia and New Zealand have announced that they will remain in Singapore and Malaysia until the end of 1971. However, it is desirable that we should know the long-term policy of both Australia and New Zealand in order to enable us to formulate a real defence arrangement for ourselves and also for Singapore.

This has become of even greater relevance now that the Australian and New Zealand Governments have decided to transfer their ground forces from Terendak to Singapore. We do not know the motivations and considerations which governed this move of the Australian and New Zealand Governments, but this somewhat sudden decision has certainly given rise to various speculations as regards the ultimate intentions of these two countries in respect of the defence of Malaysia and Singapore.

However, it should be emphasised that the intentions of Australia and New Zealand in this field beyond the end of 1971 is a matter of considerable importance to us in that this decision would have to be taken into account in our future defence planning.

We are accused of holding old world views because we are always frank with our friends and we believe in telling them clearly and frankly where their best interests lie. Our record in the past can clearly prove that we had been sincere and honest with our friends and we intend to continue to do so. We also believe in the principle that if we have obligations to our friends we should discharge these obligations fully until we are relieved of these obligations and we expect our friends also to reciprocate them. In subscribing to this belief I do not see how we can be accused of having old world views whatever they may mean.

Let this be clear, we are not persuading our friends to come to our assistance merely to defend us for our own sake. Our friends in this area must decide and decide quickly in the light of their own enlightened self-interests. We know that we occupy a vital position not only in this region of Southeast Asia but for the whole Asia and for Australia and New Zealand, not only economically but strategically. We also stand for freedom, peace

and friendship among countries in this part of the world. We therefore fully realise the vital importance of our position in the defence of this region as well as in the defence of countries which believe in freedom and of choosing their own way of life. We also know that there will be friends who will come to our defence should the need arise. We also realise that in the final analysis, we must depend on our own resources and strength for the defence of our country.

All these developments underline the fact that we have to be more self-reliant as a nation and this in fact means that on the one hand we may have to step up our defence expenditure and, on the other, our people must accept this as a challenge to our will and determination to meet our new additional defence responsibilities.

Hon'ble Members might have heard lately of our announcement to purchase some fighter aircraft from France, and also military equipments. As I have stated, it must be our policy to expand our Armed Forces. At the moment, our Air Force has the capability of providing effective air support to our ground forces in operation and also we have adequate air transport facilities. But it is necessary for us to have an Air Force that is capable of striking at the enemies should they attempt to aggress our country against any possible air attack. The Navy is also being expanded and, in the course of the year, we hope our second modernised frigate will be completed and commissioned.

Now, Sir, while we are reviewing and planning for the future defence of our country and considering ways and means of expanding and strengthening our Armed Forces to ensure we have adequate forces to defend our independence and integrity against any limited acts of aggression we have to bear in mind the limited financial resources of our country. That is why the Ministry of Defence has made an all-out effort to eliminate wasteful expenditure and to keep down cost. It is proposed to reduce the number of personnel on training courses overseas, except, of course, for those who are undergoing technical courses, the facilities of which are not available here. But wherever possible, we will provide training facilities locally for our Armed Forces.

We are happy with the efficiency and effectiveness of our defence forces and the loyalty of our men. We will continue to increase training facilities and to equip them with modern weapons. We hope that our friends, not only from the Commonwealth, but outside, i.e. countries who value the stability and security of this rich and important part of the world, i.e. Southeast Asia, will not hesitate to give us the limited assistance we need in the field of defence. As I have stated, however much we decide to increase the strength of the Armed Forces, we will not be able to defend our country adequately from external aggression. We need friends to assist us if we are confronted with aggression by a big power. However, we hope and trust that by our policy of friendship and goodwill towards other nations, and by our efforts to bring about real co-operation in this region of Southeast Asia, we would be able not only to bring the countries of Southeast Asia closer together for mutual benefit and for the peace and stability of this region, but also to show to the big powers that we would like to be left alone in the pursuit of our way of life. We hope and trust the big powers will understand and realise that it is in the interests of all concerned, that all countries, whether big or small, should respect each other's independence and sovereignty, and, in particular, it is the wish of the countries that our independence, integrity and neutrality of this region of Southeast Asia should be guaranteed.

Sir, I beg to move.

A GOOD IMAGE ABROAD

Malaysia has travelled a long way since independence 11 years ago. As a rapidly developing nation we have a good image abroad and the way in which we are managing our affairs has earned us respect of both big and small nations.

This was clearly evident from the warm and cordial reception which my delegation and I received wherever we went. The leaders of these countries expressed their appreciation of the way in which we looked after our country and managed our efforts both internally and externally. As a small country, this is something we can really be proud of.

— *Tun Razak on his return from a tour of Europe.*

NO COMPROMISE ON OUR SOVEREIGNTY

MALAYSIA'S REPLY TO PHILIPPINE CLAIM TO SABAH

Tun Abdul Razak, the Deputy Prime Minister, defined the position of Malaysia on the Philippine claim to Sabah when he spoke in Dewan Ra'ayat on 21st August, 1968. He recalled that Malaysia was established on 16th September, 1963, with the full concurrence of the people of Sabah and the blessing of the United Nations. In the following speech Tun Razak emphasised, "We cannot be expected to compromise on our sovereignty and integrity."

SINCE March this year, when the notorious Corregidor Incident blew up in the Philippines, considerable public attention has been given in the Philippines to the question of the Philippine claim to Sabah.

It may be recalled that directly as a result of this incident the Malaysia-Philippine talks at official level were held in Bangkok. It may be further recalled that the agreement to hold such talks was foreshadowed in the communique of as long ago as 3rd June, 1966. However, the Philippines did not show any interest in such talks until September, 1967, just before their Congressional elections. Malaysia naturally was agreeable to such a meeting but soon afterwards the Philippines, for no explicable reason, appeared to be losing their interest in the talks.

Thus in calling for the talks after the Corregidor revelation it became clear that the Philippines was taking the usual political step of shifting public attention and focussing popular emotion on Malaysia and the unsolved claim was handy as being the root-cause of the whole debacle. And, as Hon'ble Members are aware, in the next several months, through constant agitation by the Philippine press and persistent false allegations about so-called Malaysian provocations in Sabah and along the border areas, public opinion was worked up in the Philippines that the "Special Force", as exposed by the Corregidor fiasco, was indeed merely a reaction to the unsatisfactory state of affairs on the issue of the claim.

The image of Malaysia and Malaysian leaders was projected, by persistent press campaign, as the embodiment of arrogance, trickery and all the uncomplimentary epithets that could be thought of.

Sir, it was under these circumstances that the Philippine Government proposed that the long awaited talks at official level be held. Malaysia nevertheless agreed to these talks because we sincerely desire to settle this problem amicably and peacefully and because we place the peace and stability of this region and the co-operation among countries in this region above everything else.

We also agreed to these talks because we believe that the Philippine Government was sincere in its desire to settle this long-standing issue on a friendly and amicable way and that the people of the Philippines, just as we in Malaysia, would place friendship and co-operation as of paramount importance and would not do anything that would endanger not only Malaysia and Philippine relations but the stability and progress of South-East Asia and the ideals of ASEAN as well.

This, Dato' Speaker, Sir, in brief, were the immediate developments preceding the abortive Bangkok talks.

Hon'ble Members are well aware of what happened in Bangkok and of the various reactions and developments that followed. This matter to us in Malaysia is of obvious national concern, irrespective of our different political affiliations. Since the problem posed by the Philippines infringes upon the integrity and sovereignty of the nation, and since the nation's peace and security will be jeopardised by future developments on this issue, I have thought it necessary to explain to this House what had happened and what had ensued so that no one would misrepresent and misinterpret the efforts of the Government in seeking an end to this problem which has bedevilled our relations for the last five and a half years.

It may be recalled that the problem started in early 1962 when the Philippine Government began to take an interest to champion the private interests of the heirs of the Sultan of Sulu. It raised the issue to a national level, by trying to establish that the 18[th] Agreement signed by the then Sultan of Sulu and an Austrian from Hong Kong, Baron de Overbeck, was not a cession but only a lease.

The area affected according to the Sulu Grant stretches from Pindassan river on the West Coast of Sabah to the Sibuku river in the East, part of which is within the present territory of Indonesia and the rest of which only forms part of Sabah. Hence in the first place it would be possible for the Philippines

present what it called a legal claim in parts, without including Indonesia at the same time, is one of the mysteries that our delegation in Bangkok failed to unravel; but probably political expediency might be the answer.

However, on the basis of this laboured interpretation of the 1878 Agreement, the Philippine Government argues and persists in arguing that the sovereignty of that area which, as I have noted, forms only part of Sabah and extends into Indonesian territory had remained, throughout these years, with the Sultanate of Sulu; and such sovereignty had been transferred by a new Sultan to the Philippine Government, by a number of formal instruments in April and September, 1962 respectively, although as a matter of historical fact the Sultanate itself had ceased to exist in 1936 and had not been a sovereign entity in its own territory for already more than half a century.

Hon'ble Members may note that eighty long years have passed by since these events of bygone days. We have all achieved independence for our countries and peoples; we have all acknowledged the rights of colonial peoples everywhere to exercise their rights of self-determination and we have all undertaken to respect each other's sovereignty and integrity. Indeed, countries in South-East Asia have tried to look beyond, towards a peaceful era of inter-dependence and regional co-operation, so that we could achieve for ourselves and our region, security and stability, progress and prosperity in fulfilment of the aspirations and ideals of all our peoples. Consequently, any attempts to challenge sovereignties created in accordance with the United Nations Charter on the basis of new interpretation of old agreements would mean the opening of Pandora's Box and would expose this part of the world to claims and counter-claims which would inevitably lead to chaos and disorder.

Eighty long years have indeed passed by and the people of Sabah have since emerged from their colonial status and have given for themselves a future of independence, in association with other States within Malaysia. This, they have done, through a series of events beginning with the assessment of the people's desire by the joint Malaya-British Cobbold Commission in April, 1962, and subsequently through State-wide General Elections, based on universal adult suffrage in December, 1962, in which the question of whether Sabah should, as a state, join Malaysia, was the main issue in the campaign.

The result as Hon'ble Members will remember, was an unanimous decision by the people of Sabah in favour of achieving independence as a State within Malaysia; 113 of the 119 seats were won by political parties who were committed to this decision while the remaining six seats were won by independent candidates who also supported the proposal. 159, 831 voters were registered representing 90 per cent of those eligible to vote. Approximately 75 per cent of the adult population exercised their franchise.

Hon'ble Members may recall that we were then satisfied that the ascertainment by the joint Malaya-British Cobbold Commission, and the result of the General Elections, constituted irrefutable evidence that the people of the State of Sabah had fully exercised their right of self-determination and had made clear their choice as regards their future, in accordance with the United Nations Charter. Unfortunately, however, the Philippines chose to oppose the formation of Malaysia and refused to accept that the self-determination process had been properly carried out.

Accordingly, in a sincere desire to ensure that peace, stability and good neighbourliness in our region would be maintained, the Malayan Government agreed to the proposal made by the Philippines and Indonesia, during the Tripartite Summit meetings in Manila, July 30 to August 5, 1963, to invite the United Nations Secretary General or his representative to "ascertain prior to the establishment of Malaysia the wishes of the people of Sabah . . ." and to take into consideration whether Malaysia was a major issue, if not the main issue at the elections and whether the procedure of the 1962 elections was in conformity with democratic practice and in accordance with the Resolution of the United Nations General Assembly.

As Hon'ble Members are aware the Secretary General accepted this assignment and the ascertainment was completed on 13th September, 1963. The Secretary General's team was satisfied on every question posed in its terms of reference as stated by the three Heads of Government. The Secretary General's conclusions which had been agreed by the three Governments as not being subject to ratification or confirmation by any of the Governments concerned, were submitted on 14th September, 1963. The Secretary General categorically stated that:

"Bearing in mind the fundamental agreement of the three participating Governments in Manila meetings, and the statement by the Republic of Indonesia and the Republic of the Philippines

that they would welcome the formation of Malaysia, provided that the support of the people of the territories concerned was ascertained by me and that in my opinion, complete compliance with the principle of self-determination within the requirements of the General Assembly resolution 1541 (XV), Principle IX of the Annex, was ensured, my conclusion based on the findings of the Mission is that on both of these counts, there is no doubt about the wishes of the sizeable majority of the peoples of these territories to join in the Federation of Malaysia."

"In reaching my conclusions, I have taken account of the concern expressed with regard to the political factors resulting from the constitutional status of the territories and about influences from outside the area on the formation of the proposed Federation. Giving these considerations their due weight, in relation to the responsibilities and obligations established in Article 73 and General Assembly resolution 1541 (XV) in respect of the territories, I am satisfied that the conclusions set forth above take cognizance of the requirements set forth in the request addressed to me on 5th August, 1963 by Foreign Ministers of the Republic of Indonesia, Federation of Malaya and the Republic of the Philippines."

Malaysia was, therefore, established on 16th September, 1963, with the full concurrence of the people of Sabah and the blessing of the United Nations. The Philippines, however, again chose to reject this conclusion of the Secretary General whom they had themselves previously suggested as an impartial authority, and severed relations with Malaysia.

Hon'ble Members may note that this drastic action of severance of diplomatic relations was taken by the Philippines despite her solemn commitment contained in paragraph 10 of the Manila Accord which reaffirmed her adherence to the principle of self-determination and her undertaking to welcome Malaysia provided the support of the Borneo territories was ascertained by an independent and impartial authority, the Secretary General of the United Nations or his representative.

It was also in contravention of her undertaking in paragraph 13 of the same Accord which declares that in the event of Sabah joining the proposed Federation of Malaysia, the Government of the latter and the Government of the Philippines should maintain and promote the harmony and the friendly relations subsisting in their region to ensure the security and stability of the area.

Dato' Speaker, Sir, I recall these past events in order to emphasise that, the people of Sabah had freely chosen their destiny and decided to join Malaysia. In 1962 the people of Sabah had already exercised their rights of self-determination. We have the word of the Philippine leaders, and the word of the head of the Philippine delegation to the recent Bangkok talks which accepted, in no uncertain terms, the principle that the wishes of the people of Sabah are supreme. As we have said many times, Sabah is not a piece of real-estate to be bought or sold. It is a territory with people and as such they are independent and sovereign within Malaysia after having created for themselves a Constitution and a Government.

For this reason, we in Malaysia cannot understand the motive for the Philippine persistence in the pursuance of the claim, which apart from being void of legal basis, has no relevance to the political realities at all. We cannot but regard the continued pursuance of this claim as a mere political exercise undertaken by the Philippine Government for domestic purpose and would create nothing but ill-will and mischief.

Despite this basic attitude of ours, Hon'ble Members will remember that it has always been the Malaysian position throughout these years, to seek an amicable end to the differences between the two countries. For obvious reasons, we cannot allow these differences to be continued interminably. It is the task of the present leaders both in Malaysia and the Philippines to see an end to this problem once and for all, and to prevent future generations from being embroiled in this conflict. Both our countries, Philippines and Malaysia, cannot afford the perpetuation of these differences. As early as August, 1963, we therefore took note of the Philippine claim to Sabah and the reservation made by the Philippine Government and her right to pursue it in accordance with international law and the principle of pacific settlement of disputes.

We had agreed, consistent with the principle of self-determination which we have all accepted, to try and bring the claim to a just and expeditious solution by peaceful means, such as negotiation, conciliation, arbitration, or judicial settlement as well as other peaceful means of the parties' own choice in conformity with the Charter of the United Nations and the Bandung Declaration. This we have done and for our part have carried out

our obligation under the Manila Accord. In the light of self-determination that had already taken place in Sabah, Malaysia has always been prepared to listen to any clarifications about the further pursuance of this claim and to discuss ways and means of settling our mutual problem to the satisfaction of both parties.

When, therefore, the Philippines under the administration of President Marcos, resumed relations with Malaysia in June, 1966, Malaysia welcomed it; for such a move constituted not only an endorsement and an acceptance of the self-determination exercised by the people of Sabah, and a fulfilment, although belated, of the Philippine obligation to welcome Malaysia under paragraph 10 of the Manila Accord, but also indicated a willingness on the part of the Philippines to co-operate together with Malaysia as good neighbours.

Malaysia and the Philippines also agreed to hold talks at official level for the purpose of clarifying the claim and seeking a peaceful settlement but without sacrificing the principle of self-determination. Malaysia also indicated her willingness to co-operate with the Philippines in the eradication of smuggling and subsequently in September, 1967, Malaysia entered into an Anti-Smuggling Agreement and a Protocol on Border Crossing with the Philippines without any *quid pro quo* and despite loss of revenue and trade to us.

Hon'ble Members may recall that meanwhile Sabah held another General Elections in April, 1967. A formula was devised in order to resolve the problems that had existed between Indonesia and Malaysia arising out of the formation of Malaysia, to afford the people of Sabah an opportunity to reaffirm, as soon as practicable, in a free and democratic manner through General Elections, their previous decision about their status in Malaysia. These elections were held and were observed by representatives of five Asian countries—Burma, Ceylon, Japan, Indonesia and Thailand. The Philippine Government was also invited to send observers, but it declined.

The Sabah Alliance Party contested these elections on a three-point platform:

(i) *To reaffirm our unshakeable faith in Malaysia;*

(ii) *To reject the Philippine claim to Sabah; and*

(iii) *To continue our revolution for progress.*

The Alliance candidates won all the 32 seats except one which was lost to an independent candidate who had also reaffirmed his support for Sabah remaining in Malaysia. This once more demonstrated the resolute will of the people of Sabah about their future in Malaysia. As a result of these elections, it opened the way for Indonesia to resume diplomatic relations with Malaysia.

Despite the reaffirmation of the people's desire to remain in Malaysia and their categorical rejection of the Philippine claim, and despite designs of the Philippines against Sabah as shown by the Corregidor Incident which were inconsistent with the desire to seek a peaceful end to this problem, Malaysia still unhesitatingly responded positively to President Marcos' request for talks at official level because we, for our part, wished to live in peace and amity with the Philippines. We were anxious to know how in spite of self-determination, the Philippines could throw any further light on this problem so that an end to the differences between the two countries may be achieved.

Malaysia sent her top officials to the negotiation table in Bangkok fully empowered to find whatever formula there might be that would meet with the satisfaction of both parties. However, as Hon'ble Members are aware from reports on these talks, it was apparent and later admitted by the leader of the Philippine delegation himself, that they had come to Bangkok not to negotiate and find a solution to the problem but merely to explore various possibilities towards a settlement with a view to reporting to the respective Governments.

Hon'ble Members will note that although the talks lasted for more than four weeks, there were only eighteen meetings held out of which only five were spent on the preliminary process of clarifications.

The meetings were characterised by all sorts of delays and evasions by the Philippine delegation. It was clear the two delegations had entirely different objectives as far as the talks were concerned. While the Malaysian delegation emphasised right at the outset, the need to negotiate and to have free and frank exchange of views in order to probe into various possibilities in seeking a solution, the Philippine delegation claimed to have been given the mandate only of having exploratory discussions and therefore, was more interested in having tape-recording of the proceedings and in having agreed minutes as well as joint

statements at the end of each session. Such a meeting, where every word is recorded we felt, cannot be fruitful and meaningful. Tape-recording and negotiations are contradictory concepts. Much time was consumed in the Philippine delegation waiting for instructions from Manila on this simple procedural question and in waiting for the arrival in Bangkok of the Philippine stenographic staff.

Again when the talks reached the substantive stage of seeking clarifications, our delegation was confronted with further delays and evasions. At the very first meeting on clarification the Philippine delegation asked for all questions to be given to it in writing so that written replies could be given. To us, this procedure was most impractical as subsequent questions would depend on the answer given to the first question. The Philippine delegation also often evaded the issue raised by saying that its position could only be revealed in the International Court of Justice. At one stage, our delegation had to wait for days for the Philippine delegation to receive instructions from Manila whether the 1962 documents which had already been made public and of which we had copies, could be shown to us.

More days were spent in waiting for the documents to arrive and later for the only expert who could reply to the questions on these documents to reach Bangkok. Further delay was also caused in approving agreed records of previous meetings and considerable time was spent by the Philippine delegation correcting the records in terms of what it would like them to be read. Despite these delays and evasions, our delegation in Bangkok in the five sessions spent in seeking clarifications, was successful in demolishing every basis of the Philippine claim.

The Bangkok talks as Hon'ble Members already know, came to an abrupt halt. Much propaganda use is being made of this in Manila. It is, therefore, desirable that the truth should be known. This abrupt halt was brought about solely by the sudden and unilateral decision of the Philippine delegation, expressed in offensive terms, to repudiate its commitment to give clarifications, by refusing to answer any more questions from our delegation. And this action was taken despite the Malaysian delegation's assurance given in writing that it required no more than two or at the most three more sessions to ask questions.

Our delegation had no alternative but to regard the Bangkok talks was over and done with, and that on the basis not only of

our own research but on the clarifications so far given, it was right and proper for our delegation to state firmly that the Philippine claim had no legal or political basis whatsoever. The Malaysian legal and political position was stated fully and conclusively by the leader of the Malaysian delegation in his statement of 15th July, 1968 which has since been made public.

However, in rejecting the Philippine claim, our delegation still made a final effort to continue the dialogue between the two delegations. We posed to them that if economic problems and security consideration, as often stated by Philippine leaders, were the motivations of the Philippine claim, then the Malaysian delegation was prepared to discuss how co-operation between the two countries in these two fields could be strengthened. The Philippine delegation did not accept this offer on the ground that it did not have a mandate to that effect from Manila.

Allegations had been made that Malaysian delegation had walked out of the talks. I am bound to say this is not true. Before the Malaysian delegation left the Conference Hall, the Philippine delegation was asked more than once whether there was anything else to discuss, and since there was none, it was made clear there was nothing else for the Malaysian delegation to do except to regard the talks as having ended and to leave.

Suggestions have also been since made that Malaysia had broken an alleged understanding with the Philippines not to conclude the talks until after the Philippine Presidential elections in 1969. There was no such understanding and there can be no such understanding between the Malaysian and the Philippine Governments because in such a case we the Malaysian Government would not have been honest with our people to enter into a negotiation which was designed not to be purposeful in seeking a solution but to serve the political purpose of the Philippines. It is also clear from the abrupt action taken by the Philippine delegation in terminating the clarification half way through the process and its demand to proceed to the discussion of the modes of settlement that there could have been no such understanding.

In fact, the Malaysian delegation again and again made it clear that they wished the talks to be serious and purposeful negotiations.

It was obvious that the Philippine delegation, by its evasive and delaying tactics, was merely interested in making use of the platform to further their propaganda objective and, in particular.

to show how unreasonable Malaysia was in not agreeing to refer the matter for the adjudication of the International Court of Justice. Hon'ble Members could also discern that the Philippines' main objective was not to come to grip and resolve this problem, but rather to keep the issue alive by recessing or adjourning the Bangkok talks or by holding a series of such talks without reaching any conclusion.

Hon'ble Members should be aware that it has become a matter of policy, for reasons best known to themselves, on the part of the Philippines to take over Sabah. The legal arguments, the need to keep the issue alive for immediate or long-term domestic objectives or any other reasons that might be urged, are just excuses to implement this policy. Unless there is a change in this policy, we may be facing serious problems ahead of us.

We, on the other hand, cannot be expected to compromise on our sovereignty and integrity. On this basic question there is no scope for compromise. Nor is it desirable to repeat the Bangkok talks on the claim once more at whatever level. The people of Sabah have decided that they wish to remain in Malaysia and Sabah has become part of Malaysia. The Malaysian Government must and will stand by that decision.

Hon'ble Members and the whole nation are aware of the tension that subsequently developed following the collapse of the Bangkok talks. The nation has taken cognizance of the security implications which consequently arise along the whole of Sabah sea frontiers. And the people will understand that Malaysia, while being desirous of seeking peace and stability in this region, and anxious to maintain close and friendly relations with the Philippines cannot be expected to surrender nearly a quarter of her national territory for the sake of such peace and friendship.

The Bangkok talks has helped to reinforce the Malaysian position on the claim and it is Malaysia's firm belief that no benefits can accrue from the continuation of such talks on the claim at whatever level. It is, however, the duty of all of us, both in the Philippines and in Malaysia to find ways and means to improve our friendship so that we may co-operate with one another on the basis of mutual respect of each other's integrity and sovereignty and in accordance with the principle of self-determination of peoples which the Philippines herself has acknowledged and accepted.

Recently, during the ASEAN Ministerial Conference in Jakarta, the Philippine Foreign Secretary, Mr Ramos, and I had a short discussion and, in view of the tension that existed between the two countries as a result of the Bangkok talks, we both agreed that the two countries should undergo a short cooling off period. It is, therefore, our hope and our prayer that this cooling off period would help to calm emotion and bring about sobriety and enlightenment so that wiser counsel would prevail in the interest of peace and stability of our region of South East Asia as a whole.

OUR ACHIEVEMENTS UNPRECEDENTED

WHAT WORLD LEADERS THINK OF MALAYSIA

The tributes paid to Malaysia by world leaders for her unprecedented achievements were referred to by Tun Abdul Razak in replying to criticisms by some members of the Opposition in the Dewan Ra'ayat. The speech that follows was in reply to the debate on the motion of thanks for the Royal Address on 13th June, 1968.

THE Hon'ble Member for Batu, originally of the Labour Party, now calling himself as representative of the Gerakan, made a number of serious allegations against this Government, stating that the Alliance Government is full of sins of omissions and misdeeds. Of course, we cannot expect any bouquet from an Opposition Member, but it is not for him to decide the future of this Government or what the people want. It is for the people themselves to decide. The people know the achievements of the Alliance Government during the past 13 years.

Our record of achievements has been unprecedented not only in our history but in the history of developing countries throughout the world. Today, our people of all races enjoy a better and higher standard of living and better amenities of life than they had ever enjoyed before. Our country, Malaysia, from a colonial territory, became an independent country and today, after over 10 years of independence, we have earned the respect of almost all countries of the world, both big and small.

As one who has had the opportunity of meeting leaders of many countries in Europe, Africa, the Middle East and Asia, it has always invoked in me a sense of pride and justifiable satisfaction in the fact that our young and small nation has earned the respect of many big nations of the world. We have been regarded by world leaders, such as President Johnson, President De Gaulle, Heads of States and Prime Ministers of many countries, as a model for newly developing nations. If this is not a record of real achievement, what else could it be? No Government has done so much in so short a time for the people and for the country, and no country has been able to earn so much respect and admiration of the world as Malaysia has in a very short time since we achieved independence. This is a picture and a record that is known to the people of this country—a picture and a record which no amount of fact twisting could erase from the minds of the people of this country.

The Hon'ble Member should not worry about the Alliance position during the elections. We know the solid support that the people had given us during the last three general elections and we have no doubt they will once again give us their solid support in the forthcoming general elections.

The Hon'ble Member stated that his new Party, the Gerakan, is rich in thoughts and ideas. The people are not looking for thoughts and ideas. The people want concrete results. The people are interested in deeds not words. We have shown the people what we have been able to do. We have demonstrated to them in deeds what independence has meant for them. We have given them dignity of a place among free nations of the world.

On the development side, particularly rural development, it is a waste of time for the Hon'ble Member to belittle what the Government has done. Our rural development plan has been regarded as a model by many developing nations of the world and our techniques have been adopted by many countries of the world. Our people of all races in the rural areas have benefited from the development plan and they know that no other Government could have done so much as the Alliance Government. Of course, we admit that there is still much to be done. In 10 years we cannot bring complete progress and satisfaction to every citizen in this country but we are determined to do more provided we have the money. Unfortunately, at this very moment, the Government is facing serious financial difficulty due solely to the

lowering in the price of rubber and also to the fact that we have spent vast sums of money on development over the years. But we will continue to generate economic growth to encourage the flow of foreign capital, the establishment of new industries so that our people will be able to obtain employment for those who have no proper employment.

We will continue to open up vast areas of land for those who would like to work on the land. We have now given priority to agricultural development, particularly the production of rice and other crops so that our people, particularly those in the rural areas, will be able to produce all their requirements through their own efforts. This, in turn, will reduce the amount of imports for our country. If our farmers and rural dwellers could be self-supporting in their foodstuff and earn sufficient income from the crops they are growing, then their economy will be based on a really strong foundation. Also, our land is rich in natural resources and we can produce a number of fruit crops which can find market in the world.

On the question of defence, I have already explained our position and our policy when I made a statement to Parliament yesterday on the recent five-power defence talks. While we are doing everything possible to promote our policy of friendship with all nations and our independent and non-aligned foreign policy, we must at the same time take measures to see that we have adequate defence forces to look after our country if the need arises. As an independent nation, we must be prepared to be responsible for our own defence and it is gratifying that our friends and partners in the Anglo-Malaysian Defence Treaty have agreed to assist us in not only in the expansion of our Armed Forces but also to participate in the joint defence arrangements in this area and to show continued interests in the peace and stability in this area of South-East Asia.

Our independent and non-aligned foreign policy is understood and appreciated by almost all countries of the world and now, as stated in His Majesty's speech, a number of East European countries have shown interest to have trade relations and diplomatic relations with us. During my extended tour of Europe recently, I had the opportunity of visiting Soviet Union and discussed and exchanged views with leaders of the Soviet Government.

I am pleased to inform this House the Soviet leaders really understand our position, our independent and non-aligned foreign policy and that is why the Soviet Union has been happy to establish diplomatic relations with us and to be on friendly terms with us.

During my visit to Europe and the Soviet Union, I also discussed with the leaders of these various countries, our ultimate aim as mentioned by my Hon'ble friend, the Member for Johor Timor, that our ultimate objective is to have the neutrality of this region of South-East Asia guaranteed by all the big powers, the U.S., Soviet Russia, Britain and China, so that small nations in South-East Asia can live in peace and harmony, free to follow their own way of life without fear of interference from outside. Of course, this guarantee must be a real and sincere guarantee and that there must not be any interference in the internal affairs of all the countries in South-East Asia.

I am sure Hon'ble Members will agree with me that looking at the situation in South-East Asia today, the achievement of this objective must necessarily take time. The countries in South-East Asia must first show their determination to live together in peace to defend their independence and their integrity and that they would not tolerate aggression or interference from any quarters. They must show to all nations, big and small, that the best policy and one that will be for the benefit of all nations is peaceful co-existence. This is the policy that we have been following and, as I have said, most countries of the world, West European countries, East European countries and Soviet Russia, understand our sincere policy of independence and non-alignment.

The Hon'ble Member for Batu made a serious allegation that the Alliance Government will try to create an issue and would make use of the bogey of racial tension in order to win the next elections. I like to inform the Hon'ble Member we are aware of the solid support of the people for us and there is no need for us to create any issue to win the next elections. The people know that our policy, the Alliance policy, always stood for racial harmony, for unity among our people of various races and that we will do everything possible to stop people from using this communal issue to raise tension that would jeopardise the peace and security of the country. The Hon'ble Member for Batu should know that the trouble that we had in Penang last year was instigated by irresponsible elements of his previous associates, members of the Labour Party.

We all know what inconvenience and trouble this had caused the people of Penang and also to other parts of the country; and the number of lives sacrificed because of the irresponsible acts by these elements. We, in the Alliance Government, have always endeavoured to play down whatever racial differences we have and will do everything possible to strengthen the goodwill and friendship among our people of various races.

A few Hon'ble Members of the Opposition suggested that since we have established diplomatic relations with Soviet Russia, we should also establish diplomatic relations with Red China. As I have explained, our policy is to be friendly with all countries who wish to be friends with us and will not interfere with our internal affairs. Soviet Russia has given us this assurance but Red China has not done so; and as far as we know, she continues to assist and give encouragement to the terrorists and subversive elements on our borders who are carrying out activities to overthrow this Government by unconstitutional means and by force of arms.

Both the Hon'ble Member for Batu and the Hon'ble Member for Ipoh spoke about corruption. It is not true that we only want to catch the small fish and not the big fish—the ikan bilis and not the ikan yu. We want to catch everybody who indulges in corrupt practices. That is why we have taken action to streamline and strengthen the Anti-Corruption Agency and since the re-organisation of the Agency, it has done good work and it would take time before the Agency can be on a proper footing.

It would take time to train officers in order to discharge their work satisfactorily. It is also not true to say that corruption is on the increase. We admit that there has been and there is corruption in this country, but it is not rampant and it has been considerably checked and most of the cases that had been brought to book are among the lower ranks of the Government servants. In 1967, 19 Government servants were arrested for indulging in corrupt practices but none of them is from Division I or Division II. This figure shows that corruption is never rampant nor widespread and if we continue to take adequate and firm action as the Government is determined to do, I am sure that corrupt practices can be reduced to the minimum.

As usual, the Hon'ble Member from Dato Kramat was free with criticism of the Government's policies and performance in the economic field without any attempt at constructive suggestions. While it is not surprising, I would like to emphasise that the increase in gross national product during 1967 at 2.8% was achieved in the face of adverse external economic circumstances. The increase in physical output during 1967 at 5.8% itself reflects commendable efforts.

The Hon'ble Member was at pains to suggest that F.L.D.A. land schemes, taken together in the last 10 years, did not provide employment opportunities adequate to the needs. Here, I may point out, that ours is a mixed economy with a significant private sector. It is always envisaged that Government's efforts are only a part of the totality of efforts required to bring about a self-reliant and dynamic society.

After referring to Government's liberal land alienation policy and its diversification efforts, Tun Abdul Razak said that he was aware of marketing problems for primary products like oil palm but assured the Members that everything possible was being done to ensure a steady and expanding market and uses for oil paim. He added that Government would do "all we can to encourage increased trade and economic activity in Penang".

Continuing, Tun Razak said:

The Hon'ble Member from Dato Kramat has alleged that the Government has been using the powers under the Internal Security Act in order to restrict the fundamental human rights, as provided in the Constitution. It must be pointed out that the provisions of the Internal Security Act are not in violation of the Constitution. They have been introduced in order to preserve democracy by providing special powers to curb the activities of subversive elements who are determined to destroy democracy by the abuse of democratic processes.

The Hon'ble Member for Dato Kramat also stated that the Government had closed down four divisions and 100 branches of the Labour Party in West Malaysia without giving any reasons. This statement is incorrect as reasons for declaring unlawful these branches are always mentioned in every Order i.e., the Branch "is being used for purposes prejudicial to the interest of the security of the Federation." This Order is also published in the Government *Gazette*.

The closing down of these Branches was made under provisions of Section 5 of the Societies Act. As I have mentioned before these Branches were closed down not as a result of lawful activities of members in their capacity as members of an opposition political party but because these Branches have been used as a cover for carrying out activities which are prejudicial to security and public order.

The Hon'ble Member for Dato Kramat also enquired if members of these branches which have been declared unlawful are still members of the Labour Party. It will not be proper for me to give an opinion on this matter and I therefore suggest the Hon'ble Member communicate direct with the Registrar of Societies.

With regard to the Hon'ble Member from Dato Kramat's view that we are investing too much money in the Jengka Triangle without taking due consideration on the returns for such investments, I would like to make it clear in this House that the implementation of the Jengka project is as a result of a sound recommendation from the firm of consultants engaged by our Government to carry out the feasibility and viability studies of the project. The feasibility studies have been studied and scrutinised carefully by our economists both from the Economic Planning Unit and the Treasury and also from the World Bank. The considered findings of the economists confirm that the project is economically viable. It is envisaged that the proposed investments will generate a very favourable return i.e., at the rate of 16%. The investment would also generate substantial foreign exchange earnings for the country.

The Hon'ble Member has also criticised that the F.L.D.A. is going on a large scale for the production of oil palm. He is afraid that oil palm would be confronted with similar difficulties which face the rubber industry today.

We are aware of the difficulties that will face oil palm in future, but I must inform the Hon'ble Member that we are not hitching our wagon to oil palm blindly. We have carefully worked out the necessary economic projections for oil palm, and in the circumstances that we are in today, it would be the best bet available especially if it is possible for us to establish ourselves in the industry as quickly as possible. Our entry into the oil

palm industry is to be backed up with proper research outfits and economic intelligence which would place us in a better position to compete for the world markets.

The Hon'ble Member for Johore Tenggara has suggested that the F.L.D.A. should have a research unit of its own so that its progress can go on smoothly. Well, with regard to this, I would like to inform the House that this is being done and in a few months' time, the F.L.D.A. would have established its own Research Centre for oil palm and other crops in the Tekam Area, just outside the Jengka Triangle, in Pahang.

The Hon'ble Member from Bukit Bintang has urged the Government to accelerate the opening up of more land for the purpose of absorbing the unemployed. I would like to refer him to my Oral Reply with regard to the employment of unemployed youths where I have stated that the Government would carry out. assist and encourage the opening up of lands within the resources available for those who are landless and also for our youths.

The Hon'ble Member from Sarawak, Tuan Haji Saud bin Haji Mohd. Tahir, has suggested that more scholarships be given to bumiputra from Sarawak. Well, resources permitting, this can be done and provided that the bumiputra concerned have the basic academic requirements and can obtain places at appropriate institutions of higher learning. In fact, up to date, MARA has awarded 11 scholarships to bumiputra from Sarawak for purposes of furthering their studies. The figure of 11 represents 80% of the total number of applicants from Sarawak.

With regard to scholarships for Form VI, I would like to inform the Hon'ble Member that one scholarship has already been awarded and two more will be awarded this year.

The Hon'ble Member has also suggested that MARA should establish in Sarawak secondary schools for those bumiputra who cannot be absorbed into the secondary schools run by the Government. Here, I would like to inform the Hon'ble Member that it is not the policy of MARA to duplicate the work of the Ministry of Education because, as I have said. many a time, MARA's training is of specific nature, and its training is largely in the professional and technical fields so as to enable the bumiputra to play their adequate and proper role in the fields of commerce and industry.

THE FOUR ASSETS OF THE NATION

— AND A HARD-HITTING BUDGET

The four most important assets of the nation were outlined by Tun Abdul Razak when he spoke in Dewan Ra'ayat on 1967 Development Estimates. In doing this he disclosed that he himself was "in actual fact the Minister of Finance for 24 hours" some years ago. He then went on to emphasize that "what is most needed at this stage of our development is not so much the amount of funds but the will to do work." Tun Razak's full speech is given below.

"That this House resolves that a sum not exceeding $836,095,454 be expended out of the Development Fund in the year 1967, and that, to meet the purposes of the Heads and Sub-heads set out in the first and second columns of the Development Estimates for 1967, laid on the table as Command Paper No. 50 of 1966, there be appropriated the sums specified opposite such Heads and Sub-heads in the 7th and 8th columns thereof; and that the Resolution passed by this House on 25th October, 1966, in respect of expenditure to be met out of the Development Fund for the Development Fund for the financial year 1967 is hereby rescinded."

This House may or may not know that for 24 hours some years ago, after a Cabinet reshuffle, I was in actual fact the Minister of Finance, but luckily because of Tunku's ever attentive ear, he listened to my plea and gave me a more cheerful and happier portfolio.

So I have every sympathy with my friend and colleague, the Minister of Finance, in performing his depressing task of introducing a hard-hitting Budget and as I was listening to him, I said to myself, "There but for the grace of God (and Tunku) "Go I".

Therefore, Sir, if the Minister of Finance depressed you with his speech, it is now my task to cheer up both you and all Members of this House.

We may be short of funds, but this does not mean we are a bankrupt nation; this does not mean the end of development, and the end of progress. The very fact that I can stand here and introduce these ambitious Development Estimates, supported by an equally ambitious Development Plan, shows that 1967, for our country Malaysia, is not the beginning of the end, but the beginning of the beginning!

Admittedly we can do much more with more money, and I can assure you, Sir, that the extra money raised by taxation, and that which we hope to receive from friendly donor countries, will be put to the utmost use for the utmost benefit of our future development.

We have a lot to be thankful for. 1967 stands before us as a year in which our country can develop even further, unshackled by the human and financial drain we suffered as a result of Confrontation.

Although, the withdrawal of Commonwealth Forces from East Malaysia has taken place, we are still left with our own loyal and efficient Army, Navy, Air and Police Forces, which although young, we, as a nation, are extremely proud, and I would like to take this opportunity, Sir, in my capacity as Minister of Defence, to call upon this House to pay tribute to the unselfish and loyal service which all officers and men of our Armed Forces gave to Malaysia when our sovereignty was so severely threatened during the last three years of Confrontation.

I am sure that no Member of this House would deny that we in this country owe gratitude to those who gave their lives and to those who suffered the stresses, strains and perils of the jungle in order that the rest of us could live safely and unhampered and apply ourselves with a feeling of security to the task of achieving further progress of our country.

However, Mr Speaker, Sir, although Confrontation is over, this is no time for complacency on matters affecting both Defence and Internal Security, and because of the continuing internal threat of subversion we still have to maintain a fairly large security force, and this means, maintaining considerable expenditure on Defence and Security.

Nevertheless, I, as Minister of Defence, give this House every assurance that no more funds will be spent than are absolutely necessary, and I know for a fact that the Minister of Development will not allow the Minister of Defence to waste unnecessary funds for military purposes.

Let us now turn to the question of development.

In presenting the First Malaysia Development Plan to this House, we, the Government, visualised that the full implementation of this Plan would require the raising of funds both from internal and external sources. So, there is nothing depressing or despairing about a tough budget.

We are merely putting our plans into force. So let us not be despondent; let us look towards 1967 with hope and determination that our Plan will succeed. Past performance over the last 5 years has shown that we have got the means, both mental and physical, and the know-how to implement a Plan and achieve results. The Estimates which I now move are the 1967 element of the five years of the First Malaysia Plan.

I do not want to analyse these Estimates item by item, but you will find that many of the major projects are the continuation of those which were started in the previous year. Also out of this sum of $836 million, are allocations for the implementation of new high priority projects which will contribute in a major way to the provision of infrastructure facilities and the needs for further economic and social development.

The allocation of this total sum among different Ministries and Departments of the Government conforms to the priorities of the First Malaysia Plan. Every effort has been made to eliminate any project which is not economical and which will not bring in definite benefits.

As these Estimates will be discussed in Committee I have no intention of isolating specific items for mention at the moment, but I do stress that the Estimates should be continuously regarded by Members of this House in relation to, and in conjunction with, the overall Five-Year Development Plan.

What I do want to mention, however, and what I do want to stress are our sound assets. The Minister of Finance in his budget speech took stock of our financial liabilities. Let me take stock of our national assets.

First, our ever increasing political stability and our growing political maturity. Political stability is one of the first ingredients which a developing country must have if it is to attract the necessary investment for Development. We are politically stable and we are proud of it!

Our second asset is our capacity to plan wisely together with our administrative ability to implement these plans. The proof of this is the success and the results which we achieved in our last Five-Year Plan.

During that period, as this House well knows but which the Opposition Members are reluctant to admit, we succeeded beyond all our expectations.

The achievement of that last Five-Year Plan laid a very sound framework without which modern development cannot take place. We have definitely established this firm base for development. This is our third asset.

Let me now, Mr Speaker, Sir, turn to our fourth and most important asset, and that is, our human resources—our own people.

These resources fall into two categories: the harnessed human resources and the as yet unharnessed human resources. Let us take stock of our harnessed human resources.

The investment which the Alliance Government, since Merdeka, put into an ambitious Education Programme, is now beginning to repay with results.

The flow of professionally qualified Malaysians is gaining impetus. These young, qualified, modern Malaysians are taking their place in ever greater numbers, and playing their part in this great task of National development—

with new ideas—new skills—new abilities—new drive—new enthusiasm—new energy and new aspirations.

All these, Mr Speaker, Sir, are as important if not more so than money in the development process. Without these, no amount of money would lead us to the goal of progress we have set ourselves.

Let us turn now, Sir, to the unharnessed resources which we also have in even greater abundance.

As I have said before, comparing our country, Malaysia, to the rest of the world, I am convinced, and I know this for a fact, that there is no difference in the latent human potential which exists in other countries and the great potential that exists amongst our own people.

If in such times of national crisis the potentials and capabilities of our people can be really wakened up by floods, disasters and confrontation, why cannot the same spirit be aroused and channelled into something much more important—the task of developing our country towards greater progress?

This is what I mean by the unharnessed human resources which we have in abundance throughout the country. And Mr Speaker, Sir, this is my main message that in moving these Development Estimates—a message not only for this House but for the whole nation.

In the heart, mind and body of every single Malaysian lies an asset worth a thousand times more than the $836 million we are going to debate.

What is most needed at this stage of our development is not so much the amount of funds but the *will to work*. This *will to work* cannot be legislated, cannot be voted by Parliament, cannot be allocated by a Minister. It cannot be borrowed from another country.

We must mobilise this asset to the full. We must galvanise our people to play a greater individual part in the implementation of our Development Plan. We must galvanise them to cultivate to the full every single acre of arable land, that has been given to them and to do a full day's work in return for a decent and dignified wage.

In other words, the year 1967 must be a year of greater application of effort on the part of every one of us.

Sir, I beg to move.

ACT TO AMEND THE CONSTITUTION

"THREAT TO SECURITY OF SARAWAK"

Monday, 19th September, 1966, is an historic date in the history of Malaysia. It was on that day Tun Abdul Razak, the Deputy Prime Minister, made the following speech in moving a Bill entitled "An Act to amend the Federal Constitution" in Parliament. In the course of his remarks Tun Razak stressed, "This Bill is only a temporary measure to deal with a serious situation concerning the security of Sarawak and the whole of Malaysia."

MR SPEAKER, Sir, I beg to move that a Bill entitled "An Act to amend the Federal Constitution" to make provisions in respect of certain Constitutional amendments for the State of Sarawak consequent upon the proclamation of a State of Emergency having been effected and enforced in that State be read a second time.

Sir, I have just explained to this House, the various events that took place in Sarawak since the middle of June this year which brought about the present constitutional and political crisis in that State.

This crisis has resulted in a serious situation constituting a grave threat to the security of Sarawak and of Malaysia as a whole.

Under these circumstances, the Federal Government, which is responsible for the security of the country and for safeguarding the interests of the people, has a duty to see that the present dangerous state of affairs be brought to an end.

The Federal Government has, therefore, decided to take certain measures, as contained in this Bill, to ensure that demoratic principles are upheld and accepted democratic practices complied with.

As I have explained, Sir, the proper constitutional and democratic course of a Head of Government to take when the confidence of the House in this administration is in question is to submit to a vote of the House and resign if that vote is adverse against.

It is clear that the Chief Minister of Sarawak has refused to do so. The Chief Minister and the present Government of Sarawak are taking refuge as it were in the constitutional provision whereby the Council Negri cannot be summoned to meet except on the advice of the State Government.

By doing so, it endeavours to prolong the life of the Council despite the fact that a clear majority of the members of the Council have indicated by action taken outside the House that they no longer have the confidence in the Chief Minister and the present Government.

As Honourable Members are aware, twenty-five Members of the Council Negri have written to the Speaker and to the Chief Minister and have petitioned the Governor requesting that the Council Negri be convened as soon as possible in order to test the confidence of the Council Negri in the present Government.

The Governor has no power to convene a Council Negri meeting except on the advice of the Supreme Council.

Therefore, in order to enable the majority views of the members of the Council Negri to be given effect to, the Government proposes in this Bill to give the Governor the power to convene a meeting of the Council Negri and also the power to dismiss the Government or the Chief Minister who refuses to resign when a vote of no-confidence has been passed against him.

As I have explained, Sir, the Government is taking these measures merely to see that accepted democratic practices are

adhered to; and in preparing this Bill great care has been taken to interfere as little as possible with the ordinary democratic processes by which effect is given to public opinion in the Legislature of the State.

The Government has no desire to assume executive authority though it has the power by virtue of the Proclamation of the State of Emergency it is forced to do under Clause (4) of Article 150 of the Constitution.

This Bill only empowers the Governor to convene a meeting of the Council Negri to test the confidence of the Council Negri in the present Government, following accepted democratic principles. If the present Government loses on a vote of no-confidence then it must resign and another Government will take its place.

Also, Sir, as stated in the Explanatory Statement, this Bill is only a temporary measure to deal with a serious situation concerning the security of Sarawak and the whole of Malaysia.

The provisions of this Bill will lapse as soon as that State of Emergency ceases.

Also, the Federal Government has pledged to hold elections in Sarawak as soon as necessary preparations are made for holding such elections. Therefore, these measures are merely to ensure that Sarawak has a stable Government in the interim period until the General Elections are held when the people of Sarawak will be given opportunity to exercise their right and to elect a Government of their own choice.

As I have stated, Sir, this Bill merely seeks to ensure an early meeting of the Council Negri and to give effect to the will of the majority of the members expressed at that meeting.

We are not seeking to suspend the Constitution of Sarawak; we are not changing the Constitution of Sarawak; we are merely saying that, notwithstanding omissions in the Constitution of Sarawak as pointed out by the Sarawak High Court, the will of the majority or the people as represented in the Council Negri should be allowed to prevail.

The measures proposed are, therefore, neither abnormal nor drastic, but merely measures which are allowed under the Constitution to ensure that democratic practices are adhered to and that Sarawak enjoys a stable Government during this interim period while preparations are being made for the holding of General Elections.

As I have explained just now, with the serious security threat to Sarawak posed by the Communist organisation, we cannot afford to have a serious political uncertainty which means we will be playing into the hands of the enemies of the State.

Under the circumstances, I am confident this Bill will receive the support of this House and of the Senate as well as all the loyal citizens of our country.

Sir, I beg to move.

ALLIANCE PHILOSOPHY IS PROGRESS

BUT THE STAKES ARE HIGH

In moving the adoption of the First Malaysia Plan (1966-70) in Parliament on 15th December, 1965, Tun Abdul Razak listed the notable achievements of the previous Five-Year Plan and then enumerated the objectives of the new Plan and the problems facing the Government. In what was considered as one of his most important speeches, he predicted "a more united, secure and prosperous Malaysia." His speech follows.

"This House recognising the need to promote the integration of the peoples and states of Malaysia and to build a more united, secure and prosperous nation, approves the objectives, priorities and programmes of the First Malaysia Plan as set out in Command Paper No. 45 of 1965. In adopting the Plan, this House calls upon Malaysians from all walks of life who have the welfare of the country at heart, to strive to accomplish the challenging task of meeting the aspirations of all our people for a better life and a higher standard of living by fulfilling the objectives and goals of the Plan."

Sir, I rise to propose no ordinary motion. I rise to move before this Parliament, this symbol of our democracy, a plan for economic and social development for the next five years—a plan of purpose and determination to enable our country to travel yet further on the road to accelerated progress and prosperity—a plan to give

Malaysia its rightful place in the international, economic community of free nations of the world.

We in Malaysia are seasoned travellers on the path of progress. We have been envied by other less fortunate nations for breaking the development speed barrier in this international race towards economic progress and stability.

We have quietly forged ahead from strength to strength, on a firm foundation of sound security, stability, good economic planning and even more important, the determination and ability to translate our plans into action.

Mr Speaker, Sir, almost every developing country in the world has a Five-Year Plan, but a plan in itself does not mean anything. A plan on paper without the will and energy to put it into practice does not bring any benefit to the people and to the country. However, I am glad to say, Sir, that as this historic day heralds the launching of our Plan for the future, it also records the success in the implementation of the previous Five-Year Plan which, in spite of defence commitments in countering confrontation and aggression, has nevertheless achieved the targets.

I am proud to say that in many sectors of the 1961-1965 Development Plan, we exceeded the aims we set ourselves.

The Opposition, particularly those who are blind followers of outdated doctrines and political philosophies formulated many years ago—by such people as Karl Marx and Engels, allege that the Alliance Government has no political philosophy and therefore any development plan without a philosophy cannot possibly succeed and cannot benefit the people. To those intellectuals who are so philosophically conscious, I say categorically that the Alliance has a philosophy, a philosophy that is bearing fruit in actual practice and the evidence of its success lies in the progress that we, as a young nation, have achieved since independence.

We have achieved results from Merdeka to Malaysia, from stability to success, from peace to prosperity and the Alliance philosophy is progress.

We are, Mr Speaker, Sir, a progressive Government, our ideas and our thinking aptly meet present day needs and the needs of our people whom we put foremost in our minds before any selfish aim or political gain. But we are not in the habit of misleading the electorate with cries and slogans of outdated doctrines taken out from outdated philosophies or torn away from text books.

We are essentially, both in our philosophy and practice, a Government elected by the people, close to the people and representing the wishes of all sections of our people. We believe that it is for the electorate, for the people to decide what direction it wishes the country to progress. It is then for the politician to create a vision of this progress and to make the people see his vision as he sees it. It is for the politician to give words to this vision and turn it into policy. It is then for Government servants to give form to policy and to translate political wishes into reality. This, Sir, is our philosophy of democracy and this is our definition of democratic practice for development and progress which we have applied over the last ten years with success.

Let us go back to the years leading towards independence. None of us in those days, even with the greatest optimism could have dared visualize a prosperous Malaysia as she is today. Mr Speaker, Sir, public memory is short. It very soon forgets. Sometimes, worse still, the memory of the Opposition is even shorter. I am not quite sure whether they maliciously forget or will not admit the progress that we in the Alliance Government have achieved since we took over the reins of Government from the days of colonialism.

I ask this House to compare the memory of the days of underdevelopment before Merdeka and the difference between our country as it was ten years ago and as it stands now as a prosperous nation to which all of us are proud to belong. This present day prosperous Malaysia is in fact the vision which the Alliance saw through the clouds of colonialism and that vision was formed in all its aspects. And that has been given form, formulated in terms of the administrative machine of our country

and put into practice in our schools, in our villages, in our factories, on our land and in our homes.

We, the Alliance, are proud to have the honour of leading our nation on the march of progress towards the fulfilment of this vital vision of a vigorous and prosperous nation. The vision of the future is even more hopeful.

Now, Mr Speaker, Sir, I would like to give credit to those many Members of Parliament on the correct side of this House who entered into the spirit of creating this true vision of independence and worked day and night, travelling tirelessly around the



Tun Abdul Razak is seen walking along a slippery water-logged track to reach Kampong Paya Luas in Pahang. He walked more than two miles to see the progress of the road linking Kampong Paya Luas with the main Songsang-Kuala Kurau Road in Pahang. This picture was taken on 16th December, 1961.

country, putting force and realism into our vision and the implementation of our development aspirations. I thank each one of them for their unselfish services to the country over the last five years in putting development and national progress before selfish gain. It would not be out of place if these Alliance Members of Parliament were allowed to applaud themselves because they deserve it.

Secondly, Mr Speaker, Sir, I would like to give particular credit to those who have no voice in this House even when their devotion is discredited by some members of the Opposition. I would like to give credit and high praise to the many thousands, who cannot applaud themselves, the administrators, engineers, doctors and all the Civil Servants, too numerous to mention, for the loyalty, dedication, hard work and enthusiasm which they have given as a major contribution towards the development progress of our country during the implementation of our last Five-Year Plan.

It is not my intention, Mr Speaker, Sir, before introducing this new Plan, to give a lecture on Alliance philosophy, because any Member of this House can quite easily learn much more about it merely by having the good sense to pay a small subscription to an office somewhere along Jalan Tuanku Abdul Rahman and join the most progressive and sensible party in this country, and a party which serves the people well and truly and has succeeded in translating the vision of a happy and properous Malaysia into a reality.

We are a nation of many races, many cultures; a country in which all are allowed to practise many religions, and Alliance philosophy and policy have facilitated us to advance coolly, continuously and with good conscience; and the practice of our policy has never been done in the heat of passion, spasmodically or under the threat of subsequent remorse; and it is only with this cool, sensible and unemotional Alliance leadership will we weld together our various races and cultures into a stable, happy Malaysia living in harmony and progressing in unity.

To do this and to enable us to develop—in order to achieve unity and economic progress, we need a heavy dose of nationalism as a necessary stimulant, but let us, and this is Alliance Philosophy, always think of our nationalism within the correct and balanced context of internationalism.

We have the basic assets of sound democracy, a great potential of natural resources and a people, who, in the last five years have shown themselves capable of advancing faster than our own expectations.

We have also the most important stimulant for development—national unity—which has been forged by the Alliance Government.

Sekarang Tuan Yang di-Pertua, sa-belum saya menerangkan butir[2] Pelan ini, patut saya menerangkan kapada Ahli[2] Dewan ini apa sebab-nya Pelan ini belum lagi di-terjemahkan ka-dalam Bahasa Kebangsaan. Pada bulan Ogos apabila Pelan ini hampir siap di-susun, Pelan Negeri Singapura pun termasok juga, akan tetapi dengan perpisahan Singapura dari Malaysia, Pelan ini hendak-lah di-susun sa-mula. Oleh sebab itu Pelan baharu ini terlewat di-sediakan dan tidak ada masa untok di-terjemahkan ka-Bahasa Kebangsaan sa-belum di-bawa ka-hadapan Dewan ini. Walau pun demikian terjemahan-nya akan di-siapkan dengan sa-berapa segera yang boleh.

The Government and people of Malaysia can rightfully be proud of the achievements of our country during the last few years. Malaysia itself was established only two years ago. Since that date it has had to contend with incessant aggression from a much larger neighbour, but it has withstood this danger successfully.

Besides this external threat to her independence, Malaysia has also had to contend with internal political difficulties which finally led to the separation of one of its States. Many waverers and our enemies were of the opinion that this would lead to the disintegration of the nation. But they have been proved wrong. Separation with Singapore was effected constitutionally and peacefully. Malaysia remains united and strong.

The problems standing in the way of the economic progress of the country have also been formidable. But the advances which have been made in the campaign against poverty, illiteracy and disease too, have been significant. Malaysia embarks upon its future with a stronger foundation for bringing about greater unity and a more prosperous and happier life for its people than they have ever known before. It is with this paramount objective in view that the Government has formulated the First Malaysia Plan which I now commend to this House.

The dramatic progress achieved in the economic and social development of the country is indeed a credit to the nation especially when account is taken of the many economic and political problems which confronted us. In fact it can be said with justification that the way in which we have forged ahead in developing this country and the consequential changes which have been brought about can be said to be a "silent revolution".

In the last five years, average income in the country has risen by almost 15% despite the fact that population has been growing at one of the highest rates in the world, and despite the fact that the country's earnings from the production and sale of natural rubber—its principal product—have been falling. This is indeed a notable achievement. The rate of growth of income achieved is high by international standards, especially in comparison with other developing countries with rapidly growing populations.

Employment has also increased significantly. In Malaya, where the problem of unemployment is serious in comparison with the Borneo States where it is negligible, about 345 thousand jobs were created. As a result, the rate of unemployment of the male and female labour force remained at about 6%. This rate compares not unfavourably with other nations which are at the same stage of development as Malaysia.

Concurrent with these increases in national income and employment, a transformation in the character of the economy has also been initiated. Although there is still a long way to go, the evidence of the change that is occurring is clearly discernible. The first steps have been taken in the process of reducing the dependence of the economy on rubber and tin. Agricultural production has begun to be diverted. The production of oil palm, livestock, fish and forest products has increased rapidly. A beginning has also been made in the industrialisation of the economy. As a result, locally manufactured goods of many types have begun to replace imports. The development of petroleum refining in Malaya is a good example. In 1960, all imports of petroleum fuels entered in product form, by 1964 only 41% entered as petroleum products, while the remaining 59% entered as crude petroleum for domestic refining.

These achievements are testimony to the efforts of our farmers, industrialists, technicians and administrators, who, by their hard work and enterprise have made it possible for this country to offer an improving standard of living to our people. These achievements also attest to the size and effectiveness of this Government's economic and social development programmes—expenditure on which was about two and a half times as great as the amount spent during 1956-60.

In fact, as the country's export earnings grew only very slowly because of falling rubber prices, the rapid increase of public investment during the last five years was one of the principal

causes of the high rate of growth in income which was achieved. But more important than this immediate benefit, is the fact that a firmer base for future economic and social development has been laid. In Malaya about 2,300 miles of roads were constructed, compared with about 600 miles during the 1956-60 period. Port capacity was expanded at Port Swettenham.

The development effort of the Government has also resulted in improving the long-run productivity of our natural and human



A general view of settlers low-cost housing in the Federal Land Development Scheme in Labu, Negri Sembilan.

resources, particularly in the rural areas. About 145,000 acres of virgin land were opened up by the F.L.D.A. for the settlement of twelve thousand families. The completion of several irrigation and drainage projects raised the acreage of padi capable of being double-cropped fivefold from 38,000 acres in 1960 to 193,000 acres in 1965. Total planted acreage increased from 941,000 to 980,000 acres. An estimated 760,000 acres of land belonging to smallholders were planted or replanted with high-yielding rubber, bringing the acreage under high-yielding rubber to 890,000 acres or about 50% of total smallholder acreage.

In the field of education, Sir, an additional 6,000 classrooms were constructed in primary schools and 3,000 in secondary schools. As a result, primary school enrolments increased from 980,000 to 1,200,000 and secondary school enrolments rose from 100,000 to 275,000. During the same period, the school-leaving age was increased from 12 to 14 years and a re-organisation of the secondary school system was effected with the introduction of the comprehensive system of education. Rapid progress was also made in college and university education.

In addition to the efforts of the government in building up the Malayan economy, Hon'ble Members will note that social and community services have been improved and expanded, particularly in the rural areas. Hospital capacity was raised and a total of 31 main health centres, 132 sub-centres and 645 mid-wives clinics were constructed in the rural areas. The number of rooms available through public housing schemes tripled between 1960 and 1965, thus helping to meet the heavy demand for housing created by the rapid increase in urban population.

Electricity and telephone services were extended to many rural areas. With all these projects, the already high standard of social and community services in Malaya was further improved. What is also important is the fact that whereas in the past these facilities were negligible in the rural areas, they are now becoming numerous. No one can dispute that a radical change for the better has been effected in the face of the rural countryside.

In Sabah and Sarawak, almost 35% more was spent on the development effort than was the case in the two previous years before the establishment of Malaysia. The rapid increase in Government's development activities has not only contributed to the enlargement of incomes in these States but has also strengthened and broadened their base for future economic and social development.

The Government would have liked to have done much more for these States. But the time which has elapsed since the establishment of Malaysia has been too short to bring about striking changes. Nevertheless, taking the period of the last five years as a whole, some concrete advances have been made. In both States, increased attention was also given to extensive replanting of low-yielding rubber with high-yielding material.

Now looking forward into the future, we need to consolidate our successes, learn from our mistakes and rededicate ourselves to even greater efforts. We certainly cannot afford to be complacent. Our attainments in the last five years constitute only the initial step in the process of bringing about a truly developed Malaysia. Much more remains to be done and the First Malaysia Plan is our blue-print of what must be done by the Government and the people during the next five years.

The First Malaysia Plan has four primary objectives. The first is to promote the integration of the peoples and states of Malaysia

by embarking upon a development plan explicitly designed to promote the welfare of all; the second objective is to provide steady increases in levels of income and consumption for our people and those in other low income groups; the third objective is to generate employment opportunities at a rate sufficient to provide productive work for new entrants to the labour force and to lower the rate of unemployment; the fourth is to continue to stimulate new kinds of economic activity, both agricultural and industrial, so as to reduce Malaysia's economic dependence on rubber and tin.

The attainment of these objectives is a difficult task for there are many problems which we have to face. The most serious of these problems are the prospect of a continuing decline in the price of rubber and the depletion of known tin reserves. The production and marketing of these two export commodities constitute at present our major source of income and employment. As their immediate prospects are not particularly bright, the task of progressively increasing our national income become challenging. It is crucial that we find new sources of income and employment.

A second major problem which confronts us is our extremely high rate of population growth. At about three per cent a year, this rate is one of the highest in the world. It is staggering to realize that if this rate of growth is not checked, Malaysia's population, which is now about nine and a half million people, will double in twenty-five years' time.

The population of Malaysia will grow to about eleven million by 1970 and this presents a serious challenge indeed to the effort to provide rising income levels and improved social services.

Sir, in order to attain the objectives of steadily increasing income and reducing unemployment during the period when our population is increasing rapidly and the value of our traditional exports is likely to grow only slowly, the Plan calls for the development of new patterns of economic activity. It calls for the development of new export products, in particular oil palm and timber, for which there are bright prospects. But traditional export commodities are not likely to earn enough foreign exchange over the next five years to pay for our import needs.

Therefore the Plan accords top priority to the production within Malaysia of an accelerated volume of those commodities which are at present imported. There are favourable prospects

for substituting domestic production for imports in both the agricultural and the industrial sectors. The production of foodstuffs and other agricultural commodities for which reliance on imports is heavy must be increased. Most important of all, the extremely good opportunities which exist for increased output of manufactured goods for the domestic market must be exploited. Only if all these possibilities are seized will it be possible to sustain the growth of the economy in the long run.

To bring about the exploitation of all immediate possibilities for increasing production, to strengthen the base of our economy for future growth and to provide social and community services for all our people, and in particular those in the low income groups, it will be necessary for the country to spend a sum of $10,500 million on development during the next five years. The public sector's share in this total is $4,550 million and that for the private sector is $5,950 million. If these targets are reached—and the Government is confident that they will be—average income in the country will rise by over five per cent.

Although this rate of increase is modest, it will be a considerable achievement, in the face of relatively unfavourable external factors, to protect *per capita* income levels from declining and help them to rise, at the same time to lay the foundations for a new economic structure. Moreover, the anticipated rise in income levels will accumulate to substantial improvements in a few years' time. As far as employment is concerned, nearly 380,000 new jobs are likely to be created in Malaya and 80,000 in Sabah and Sarawak making a total of 460,000 new jobs for Malaysia. This will reduce unemployment from its present rate of six per cent of the labour force to about five per cent in 1970—a rate comparable with that of even some of the most developed countries in the world.

Even more important than the immediate income and employment goals of the Plan are the preparations it embodies for accelerated development in the long-run. The emphasis given in the Plan to education and training, to rural development and the diversification of economic activities, to family planning and to applied agricultural and industrial research, will yield sizeable returns in the years ahead.

The First Malaysia Plan has been formulated as the initial phase in a 20-year Perspective Plan of economic and social development, which envisages the attainment of a level of income per capita of $1,500 by 1985.

The achievement of this long-run target will require that the First Malaysia Plan is implemented successfully and that a rising tempo of development is attained in subsequent Five-Year Development Plans.

A major share of the responsibility for attaining the income and employment objectives of the Plan will lie with the private sector. In the past, private enterprise has served the cause of development in Malaysia with considerable effectiveness. It has injected into the economy a degree of vigour and initiative which is one of our greatest assets. The Government is confident that Malaysia's entrepreneurs, whose number and quality is increasing daily, will continue to render significant service in the solution of the challenging economic tasks ahead.

For its part, the Government will provide whatever technical and capital assistance are necessary. It will expand and orient its educational system to train the men and women required to modernise and energise the Malaysian economy. It will strengthen in Malaya and expand considerably in the Borneo States, our transport and communication facilities and electricity and water supply systems—all of which are the physical foundations of our economy. And it will continue to improve the already high level of social and community services available in the country so that all Malaysians will have the opportunity of leading a fuller, better and more satisfying life.

For its part also, the Government will continue to strike for equality of economic opportunity for all Malaysians. Under the First Malaysia Plan, therefore, the Government will intensify its efforts to provide facilities and opportunities for the rural population and other low income groups in urban areas to improve their levels of economic and social well-being. Our work in this direction will not slacken until we are completely satisfied that every Malaysian has the opportunity to participate in the development of his country and to receive in return the fruits of his efforts.

For all these economic and social development programmes, the Government will spend some $3,810 million during the next five years. The bulk of this allocation will be for economic projects. Of this allocation, over $1,000 million will be for agricultural and rural development.

Extracts from the rest of Tun Razak's speech are given below.

All the Government's economic and social development efforts will complement the programmes of the private sector and together they will provide substantial benefits to the people in the rural as well as the urban areas, particularly to those in the low income groups . . . .

The development expenditure programme of the Government of $4,550 million during 1966-70 also provides for $740 million to be spent on expanding the nation's military and police capabilities so that with the help of our friends abroad, Malaysia will be able to withstand any potential threat from its enemies in and outside the country . . . .

Mr Speaker, Sir, the First Malaysia Plan is indeed a bold programme. And its financing will present a challenging task to the Government for, in addition to the cost of the development effort, the Government's need for recurrent expenditure is also rapidly mounting . . . .

It is therefore unavoidable that the Government has to seek additional financial resources through taxes and charges of various kinds and further domestic borrowing. In this endeavour, we call for full co-operation from all Malaysians who have the interest of their country at heart . . . .

The Government will supplement resources obtained through taxation and domestic non-bank borrowing by running down its accumulated assets and by borrowing from the banking system . . . .

Mr Speaker, Sir, Malaysia has received some assistance from many countries in and outside the Commonwealth in the last five years. For this we are indeed very grateful. In the next five years, when our problems and difficulties will multiply, it is our hope that our friends abroad will respond to our requests for much greater assistance than we have received in the past . . . .

Another problem which will affect the rate of economic progress in this country is the shortage of trained and skilled manpower. This will affect the development efforts of the Government as well as the private sector . . . . And if bold measures are not taken to step up the development of this nation's human resources immediately, the deficiency of skilled manpower will continue to plague us far into the future. This is a predicament which we must avoid.

In this age of science and technology, the rate of Malaysia's economic development will be determined not only by our material resources but also by our success in developing and in utilising effectively the intellectual capacities of our people.

It is for this reason that high priority is being given in the First Malaysia Plan to education and training. It is also for this reason that our education system is being re-fashioned. We want to meet not only the objectives of nation-building and universal literacy but also the economic goals of the country by producing an increasing number of Malaysian teachers, agricultural specialists, engineers, technicians, economists, doctors and administrators.

Mr Speaker, Sir, I have already indicated to this House the nature of the many economic and social problems which confront this Nation. We cannot and must not underestimate their gravity. Malaysia is too dependent on rubber and tin. Our population is growing much too rapidly. There are still wide disparities between the 'haves' and the 'have-nots'. Our supply of skilled and trained manpower is much too low. By their very nature, these formidable problems cannot be solved over-night. But if they are not progressively attacked and ultimately resolved, then the Malaysian economy will in time come to an awful standstill. We have no time to lose. We must intensify the onslaught on our basic problems now.

We the Government and the people of this country must brave ourselves to this challenge. We must undertake all that is required of us to meet it. This Government commits its energies and its resources to this task. In turn, each and every Malaysian must similarly dedicate himself to do all that is within his power and his means for the development of his country. Only in this way will national prosperity be progressively achieved. Only in this way will all our people—in Malaya, in Sabah and in Sarawak—be provided with the opportunity of an increasingly better and happier life.

The stakes are high. If we fail, national unity will be jeopardized and our very existence as a nation will be imperilled. If we succeed, and succeed we must, we will have taken a major step forward towards the creation of a more united, secure and prosperous Malaysia.

Sir, I beg to move.

AN OLD TUNE FROM THE OPPOSITION

WE BELIEVE IN DEMOCRACY, SAYS TUN

The Alliance Government's policy is to improve the existing social life so that our people, especially those in the rural areas, will enjoy the amenities of life which they desire. This was stressed by Tun Abdul Razak when he replied to the Opposition Members' criticisms during the Budget Debate in the Dewan Ra'ayat on 25th November, 1965.

The Hon'ble Member for Batu when speaking on the expenditure on defence spoke about the wasteful expenditure on defence. I am afraid, Sir, it is difficult to understand the logic of the speeches of the Hon'ble Member for Batu and his colleague, the Member for Dato Kramat, of the Socialist Front. They are against conscription to assist in the defence of our country and they are against increase of our Defence Budget.

Sir, how else can we look for the defence and security of our country? With Malaysia, we have a bigger area, and longer coastline to defend. We are at present the subject of aggression by a bigger and stronger neighbour. Clearly it is the duty of this Government to take appropriate and adequate measures to defend our country. We have to expand our Armed Forces, our Army and our Navy. We have to station troops on the Borneo Territories as well as in the Peninsula here to defend our independence and our sovereignty.

We have to have patrol crafts and naval ships to patrol our coasts. We have to have our Air Force to transfer our men and to provide supplies, etc. It is true because of confrontation our defence expenditure has to be increased at an accelerated rate, but even in peace time we have to have enough men to help maintain law and order and to defend our country in case of invasion. We have to have ships to patrol our coastline and we have to have an air force. These are inevitable commitments for an independent sovereign nation. In an uncertain and disturbed world which we live, we have to maintain certain amount of defence forces if we value our freedom, our independence and our sovereignty. It is the policy of this Government not to embark on a huge defence expenditure or unnecessary expansion of our Armed Forces. We only aim to have a sufficient force to protect

our shores and our coastline and our boundaries. We intend to have a highly trained force, mobile and assisted by a large reserve of trained men in our volunteer service and also our call-up reserves.

Sir, the Hon'ble Member for Tanjong remarked that one of the ways of getting the defence expenditure down is to have a large reserve of volunteers. This is exactly what we are doing. As Hon'ble Members are aware, we have the Territorial Army and the Local Defence Corps, the size of which is kept under constant review from time to time. We are also expanding for the training of our call-up boys so that we have a large reserve of men available for active service whenever we require.

The Hon'ble Member for Batu as usual, in his support for his theory of socialism, is very often out of step with current events. He alleges that the Alliance Government refuses to use the Budget and all the administrative power attached to re-distribute the nation's income in such a way that the peasants, workers and farmers can get a decent living. The course, Sir, is not possible for the distribution of wealth in the ordinary recurrent budget. The re-distribution of wealth is carried out in our Development Budget. In our Development programme in the past five years and also in the next five years, we give priority to the have nots, to the poor and under privileged in the kampongs, villages and in the towns. In the past five years we have provided these people with amenities of life such as roads, water supplies, medical services and so on. An also we have helped them to increase their income. In our Development Budget for the next five years we intend to continue with this policy to extend on our programme of assisting the have nots.

Our policy, Sir, is to level our economic theory in a newly independent country and in an under-developed country is to level up and not level down. We must expand our economy. We must encourage the flow of capital so that opportunities will be provided for our people to obtain employment. We tax the rich so that with the money we help the poor to get a better standard of living and a better way of life.

This is our policy, and this policy has produced results and we intend to continue with this policy whatever the members from Socialist Front choose to say. The people in the kampongs and

the new villages and in the semi-urban areas know what we have done for them and what we intend to do for them and it is for them to judge whether our policies are right or not.

The Hon'ble Member for Ipoh stated that the Alliance Government policies were becoming more and more dictatorial and that the Alliance Government is surpressing and crushing the Opposition. Sir, this is an old tune which has been played again and again in this House. Everyone knows and the people of this country know that the Alliance Government believes in democracy and we uphold our democratic constitution strictly. Indeed, if there is any criticism at all against us it is because we have been too liberal. Opposition parties have complete freedom to say anything against the Government, to criticise the Government and indeed many of the Opposition members have made full use of this freedom. We can take pride in the fact that since we achieved independence for the last eight years, we have been able to make democracy work in this part of the world.

The Hon'ble Member said that he still draws inspiration from the leadership in the government of the country south of the Johore Causeway. We have never interfered in the work of the Opposition. We believe in loyal opposition and so long as they uphold the Constitution as we do, all members of the Opposition should have no fear. I suggest to the Hon'ble Member for Ipoh it is no good turning the old record again and again. We stand by what we do. We allow the people to judge our actions but we trust that the Opposition should not blame the Government for their own ineffectiveness.

The Hon'ble Member for Tanjong stated as he chose in 1959 to go into Opposition to the Alliance Party because he wanted to prepare for what he calls just such a moment of truth that will come to the Alliance and the people must look for the dynamic and positive leadership. We knew he left the Alliance because he had differences with the sincere and loyal leaders of the MCA and with the majority members of the MCA. The Hon'ble Member talked of his great concern for the problem of unity of purpose in our multi-racial society. We on this side of the House have stated, Sir, that we are sincere and strongly believe in the unity of our people in welding together our people of various racial origins into one united nation. But we have also said, being practical men, that this process must necessarily take time. We

cannot be theoretical or idealistic as the Hon'ble Member for Tanjong is. We must be realistic and face the facts as they exist today.

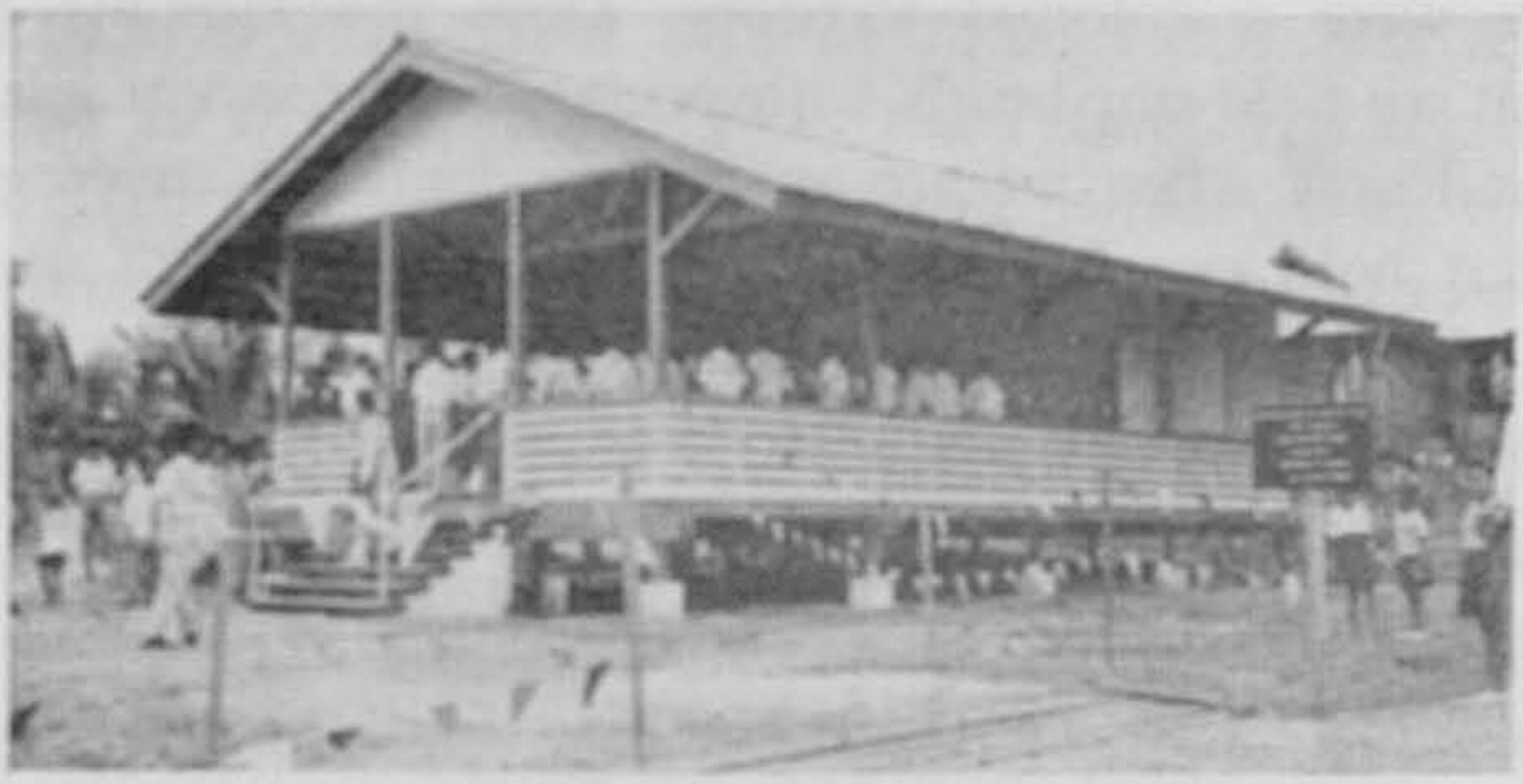
The Hon'ble Member for Tanjong wants all the people of this country of various racial origins to accept themselves as equal members of our national community and think, plan and act as Malaysians. The Hon'ble Member should know that our people, under the Colonial rule have lived under different communities, were allowed and even encouraged to follow and respect the way of life and attended different types of schools. Under those circumstances, it is not possible, Sir, and let us not blind ourselves to the real fact that we can, all of us in a matter of few years think ourselves as Malaysians and completely forget we belong to different racial origins.

Our people must be given time to adjust themselves to sink their differences. Our people must be given time to foster their spirit of goodwill, understanding and friendship with one another. It is not possible for us to think ourselves as one national nation when there are still inequalities and economic imbalances. These problems must be solved and adjustments must be made so that our people of various races would feel that they have a rightful place in our country. This is what the Alliance Government is doing and has been doing. We laid down the framework in our Constitution and within that framework we have worked in harmony and friendship towards the ultimate goal of a real national unity. This goal must be achieved and will be achieved if all our people, particularly leaders, do sincerely work towards this end and completely refrain from making use of sensitive communal issues in order to gain political power or a few seats in the election. If we all do this, then we will be able to reach this goal much more quickly.

We in the Alliance Government are not in the habit of shouting slogans, empty slogans but we are practical and sincere people who always carry out what we believe is in the true interests of our people. Our record is open for everyone to see. People can judge us, history can judge us whether what we have done and are doing is right or not. Our main desire and concern is to serve the people, to make this a happy and united country. We have been in power for over 10 years but we have used that power solely to serve our country and we have not sought power mainly for

the sake of personal glory or for personal importance. We place the welfare of our people and the interests of our country above everything. We place the peace and harmony and goodwill of our people above our own personal desires. We draw inspiration from no one but from our hearts, from our sincere desire to serve our country and people.

Now I come Sir, to the Hon'ble Member for Bungsar. Again Sir, the Hon'ble Member for Bungsar sings the old record that we have not helped the poor and only make the rich richer. Sir, the Hon'ble Member is not qualified to speak for the have nots,



Hundreds of Community Centres like the above have been built in rural areas.

particularly those in the rural areas. The Hon'ble Member in his speech said that we have not provided electricity for the rural areas. But Sir, electricity is not an item of great priority in the kampongs or villages. There are other things of far more importance and far more necessary which we have provided and are continuing to provide for the have nots in the kampongs and villages. They are schools, health facilities, prayer houses, roads and other amenities of life. We have also helped the have nots as I had already said, to increase their incomes so that they will be able to live a decent life of a civilised society.

I say Sir, it is our intention to provide electricity supply to the kampongs and villages. We have done so in a number of cases but we have our priorities. We know the needs of villages because we lived, we were brought up in the villages, most of us, all of us in this side of the House. Our Second Five Year Plan was prepared by the people themselves, by their own elected representatives. They told us what they wanted and we merely carried out

their wishes and their desires. This is how we work and how we implement our development programme. It is not our policy to impose town life into rural areas or to impose foreign way of life into our society. Our policy is to improve the existing social life so that our people will enjoy the amenities of life which they desire.

The Hon'ble Member for Bungsar has a lot to say about the Budget and I have no doubt the Minister of Finance will give him adequate reply. The Hon'ble Member spoke that at the height of the Emergency, we held our heads with pride. What does he mean? At the height of the Emergency, we were under British rule. We were a colonial territory. Does the Hon'ble Member mean that we held our heads with pride when we were a subjected people and now when we are an independent and sovereign State we do not hold our heads with pride? He talked of us, of our country as being a nation of rejected beggars. Sir, these are very strong words which are completely unjustifiable.

As everyone knows, despite the fact that we have to shoulder the burden of increasing defence and security expenditure and at the same time carry out the ambitious development programme our economy is still strong. We are still held in great respect by the financial and banking world. Of course, as a developing nation and because we have to shoulder these three burdens of defence, security and development we naturally have to seek aid from outside. Which country in the world Sir, does not have to ask aid, not even a rich country such as America.

The Hon'ble Member is fond of using strong words, fond of using slogans, empty slogans which for the last two years we have heard so much and naturally we become sick of them. We in the Alliance Government do not believe in words or in slogans. We believe in results, in achievements and success.

We have produced results in our development programme. We have shown to the people that in time of national Emergency we are prepared to defend the country. We are also held in high respect by nations in the world, particularly the Afro-Asian nations because we do things with dignity, because we always have our national pride.

The Alliance Government stand by its record as I said, for all to see; of course we do not expect appreciation from Opposition

Members. But we know the people of this country expect and have confidence in us and we know that countries of the world hold us in high esteem. These are our main concern Sir, and we shall continue to serve the people and the country in a way that we think best.

"ENEMY FROM WITHIN THE NATION"

— REPLY TO A QUERY IN PARLIAMENT

Figuring prominently in Tun Abdul Razak's speech in Parliament on 3rd June, 1965, was his reply to Mr Lee Kuan Yew, the Prime Minister of Singapore, who had asked for clarification as to the meaning of the words "the threat from within", contained in the last paragraph of the Royal Address. In the course of that speech, given below, the Tun made it clear "the Alliance Government has always believed in the principle of parliamentary democracy and has practised it faithfully not only in our political parties but also in the Government."

We have had a debate on the speech from the Throne for the last four days and almost all Hon'ble Members have had the opportunity of expressing their views. Members of the Opposition have had ample opportunities of taking the floor and some of their views were complimentary to the Government while others were not so. However, I would like to say that we, on the Government side, are grateful to those who have supported our policies in the past and our plans for the future.

My colleagues on the Government bench had made suitable replies to most of the points raised by the Hon'ble Members and the Prime Minister feels that there is nothing of any importance left for him to speak in winding up the debate. There is only one thing that he has to reply to and that is on the clarification asked for by the Hon'ble the Prime Minister of Singapore, Mr Lee Kuan Yew, as to the meaning of the words "the threat from within", contained in the last paragraph of His Majesty's speech.

The Prime Minister has asked me to explain this on his behalf. The Royal Address is the responsibility of the Government. The Prime Minister and my colleagues in the Cabinet take full and

undivided responsibility for every word contained in that address. However, Sir, before I come to this point I would like to reply to certain aspects of Government policy which have not yet been replied to by my colleagues.

The Hon'ble Member for Sarawak, Mr Ong Kee Hui, said that the recent crisis in the Sarawak Alliance was due to interference by UMNO.

I would like to say categorically this had nothing to do with UMNO, because the matter is for the leaders of the Alliance and Sarawak. However, as the Sarawak Alliance is affiliated to the Malaysian Alliance Party, it is within the right of the Alliance leaders here to intervene if requested to do so in order to settle any difference.

In this particular case, they were able to settle the differences themselves.

The Hon'ble Member also mentioned that since the formation of Malaysia the people of Sarawak have not received any benefit from Malaysia. Sir, with the establishment of Malaysia, we promised the people of Sarawak and Sabah independence and with it the possibility of progress and development as we were able to achieve here in Malaya.

However, despite all this we are determined to carry out our development plan. We have now geared the machinery of the Government of Sarawak to undertake work on development. I would like to say that we are determined, with the co-operation of the State Government to do all we can to give the people of Sarawak the benefit from independence and development.

The Hon'ble Member also made reference that the Simanggang Road Sub-Branch of the SUPP was proscribed by the Sarawak Government. It was not clear what his intention was in touching on this subject. I believe that he also suggested that since those concerned are officials of the Party, it would be logical, therefore, to arrest only the officials. Let me, therefore, clarify to this House on the grounds why this particular Branch was proscribed by the Federal Secretary in Kuching under the Preservation of Public Security Regulations 1962. We had information that the establishment of the Party in the first place was engineered by the Communist organisation in Sarawak through one of its leading cadres and that all along the activities of this Sub-Branch were

conducted on the lines laid down by Sarawak Advanced Youth Association, formerly known as CCO (Clandestine Communist Organisation) for its open front work. Four of the five officials of the Party are now known to be in Indonesia. In short, there is, therefore, evidence to indicate a long-term Communist planning to create, through the medium of an open and legal front organisation an ideologically dominated area where political consciousness could be directed through the Communist policy of struggle through the legal and constitutional means.

For the information of this House there was no change in the registered officials since 1959; there had been merely a reshuffling of the key posts amongst the Communist faction. The Communists had all the time been in control. It is ridiculous for Mr Ong Kee Hui to suggest that the officials concerned should be arrested; most of them are in Indonesia now. The branch has to be closed as it is being used by Communist elements as a cover to carry out their subversive activities.

The Hon'ble Mr Lee Kuan Yew has asked the Prime Minister to explain what is meant by "threat from within". He said when he heard this portion of His Majesty's speech he looked around him and it was clear to him it must have meant some sector of this House. It could not be the Members from PMIP or the Members from Barisan Sosialis. It could not also mean the Member for Batu. So he was left with only one assumption, that is, that it was meant for him and his colleagues whom he said are "loyal Malaysians" gathering together now to establish the Constitution that Malaysia is a Malaysian nation, perhaps, "we were that 'threat from within'".

This statement, coming from him is sheer deceit. The Hon'ble Member knows fully well what is meant by the "enemy from within" the nation. He is the Chief Executive of the State of Singapore. He has helped the Central Government with a lot of information which eventually led to the arrest of enemies from within Singapore. He knows who they are because when Singapore and the Federation were discussing the question of Merger which led to the formation of Malaysia he was on the Singapore Internal Security Council together with my colleague, the Minister of Home Affairs.

He produced a book which gave information about the activities of the Communists. He made statements about their danger to the peace and security of this country; now his representative sits in

the National Defence Council where matters of internal security and defence are freely discussed. He receives briefings from the Intelligence Branch of the Security Service and knows fully well who are the enemies from without and who are the enemies from within.

As the executive head of Singapore he receives all the intelligence reports which give information as to the activities of those people whom His Majesty referred to in His speech as the enemies from within. They are the traitors—the Communists. He knows that about 1,500 persons from Sarawak alone have gone over to Indonesia and there are no less than 150 Communists from the mainland and Singapore who likewise have gone over.

With confrontation from Indonesia we have also those who are not Communists, but who either for money or some other form of inducement have rendered service to the enemy in co-operation with the Communists and their object is to hand over this country to Indonesia or to the Communists. Some of these people have been taken in and kept in custody but others are at large who are actively working to undermine the authority of the legally established Government of this country.

The Prime Minister has never thought of Mr Lee Kuan Yew or his party as the enemy from within. In the first place he does not think they have indulged in these activities, at least not so far. They are not trusted enough by the Communists, nor considered important enough or strong enough for the Communists to take them into their confidence. As a Barisan Sosialis member has revealed in this House, that he who works with Mr Lee Kuan Yew and his party must expect to be discarded whenever it suits him.

The Prime Minister doubts if Indonesia will make use of Mr Lee Kuan Yew and his party for a take-over of this country unless it be to serve their own end. So it is obvious from here that it was not him whom His Majesty referred to in his speech as the enemy from within. If we had thought of him as such we would have dealt with him as we had done with all the other enemies from within. Our duties and responsibilities are clear. We would not be afraid to act whenever we consider any person a security risk.

Mr Lee Kuan Yew would like to hear what explanation the Prime Minister can offer. What explanation does he want? It is

clear to all that he is out to make trouble. From the reports which have appeared in the Press and from the visits he has made abroad he had attempted to blacken the image of the Central Government in a way which was so aptly described by the Hon'ble the Minister of Home Affairs the other day.

Not so long ago, according to the Prime Minister, he was asked by a member of the diplomatic corps why was it that he hated Mr Lee Kuan Yew. The Prime Minister had always thought of him as his friend and therefore it was a surprise that such a story had gone round. Who was responsible for this story? It could be nobody else but Mr Lee Kuan Yew himself. Why did he invent such a story and for what purpose? Now we are all beginning to understand—it was done for a purpose and that purpose was to give the impression that the intention of this Government is to dominate Singapore and to discriminate against the people of Singapore.

According to the Prime Minister of Singapore this Government is Malay-dominated and that the Central Government is trying to foist a Malay rule on the entrapped peoples of Singapore, Sabah and Sarawak and that the Government is treating all these other states as inferiors.

That was why he came to see the Prime Minister some time ago and put forward a proposal that his party should share in the administration of this Government in place of the MCA. This idea was wholly unacceptable, in fact, most objectionable to the mind of an honest and loyal leader. The MCA had been a partner since the formation of the Alliance and they have been our true friends indeed and together with the MIC, we have worked for the independence of Malaya which led eventually to the independence of the other States which now make up Malaysia. It is unthinkable that the Prime Minister could discard the MCA for the PAP. He has always regarded the MCA as a true friend of UMNO and as a partner who, together with the MIC, has worked together for the wellbeing, prosperity and happiness of this country.

The MCA represents the Chinese views and interest, and so the MIC in respect of the Indians and through the co-operation of these two organisations we were able to work for the welfare and the good of the peoples of this country. This cannot be said of the PAP. As has often been said in this House Mr Lee Kuan

Yew in fact thinks in terms of the Chinese and his party, in fact, represents that group of Chinese who share his views and he has asked to replace MCA. The only Government which will be acceptable to him is the one in which he can have a big say and a big share and ultimately a Government in which he alone can have a say without resort to Parliamentary democracy.

Since his proposal is not acceptable to the Prime Minister he has switched on to this new insidious plan of a Malaysian Malaysia. In other words, a break-up of Malaysia as constituted under the agreement signed in London.

Hon'ble Members can now understand the imputation when he said there are some who want secession. We have never talked about secession, at least not by the Prime Minister or by members of the Government. He also said that probably the people of Penang, Sabah, Sarawak and Singapore and Malacca could come together. In short he has suggested that Malaysia must be broken up into two—one is as he stated—Malay Malaysia and the other one Mr Lee Kuan Yew's Malaysia or as he calls it Straits Settlement Malaysia. Hence the reason for his bringing this amendment to the Royal address alleging that we in the Central Government consider him a threat to the security of this country. Sir, we do not consider Mr Lee Kuan Yew of that importance to be a threat to the Alliance. We are quite capable of dealing with him. As my colleague, the Minister of Home Affairs said, we are quite capable of fighting him democratically and constitutionally so long as he and his colleagues do the same.

As one Hon'ble Member said the Prime Minister of Singapore, Mr Lee Kuan Yew, is like a bride, who was madly in love with a man and having married him, finds the new home unsuitable and would like to go back to the mother—the old Colonial master. Having married to this new family, the bride is not content with being just a member of the family or having the right to inherit the family property—he wants to dominate and rule the family at the same time.

Now, having had this marriage trouble, Mr Lee Kuan Yew went around the world to tell people of our domestic trouble. What has all this got to do with people outside? If there are differences between political parties in this country, these are matters for us to settle internally. We are a democratic country, in the last resort it is a matter for the people to decide.

I would like to tell our friends in the Commonwealth and outside that these differences we have with the PAP are internal matters. We, in the Central Government, are quite capable of dealing with them. We have a clear mandate from the peoples to govern this country and we shall not shirk our responsibilities. Now that Mr Lee Kuan Yew has made his stand clear, we will fight him democratically and constitutionally.

There is no use for Mr Lee Kuan Yew to resort to tactics that he is so familiar with, of twisting facts and of casting doubt in the minds of the people that the Alliance Government has an intention of resorting to undemocratic and unconstitutional methods.

Everyone knows, everyone in this country and throughout the world knows that this Government, the Alliance Government has always believed in the principle of parliamentary democracy and has practised it faithfully not only in our own political parties but also in the Government.

Indeed the only criticism we have heard from friends who have visited our country and from responsible citizens of this country is that we have been too democratic and too liberal in our attitude. This attitude has been interpreted by certain quarters as weakness and some have taken advantage of it.

It is known to everyone that we in the Alliance Party practise democracy strictly. In the UMNO, ever since our Prime Minister took over the leadership of UMNO in 1951, we practised absolute democracy.

We have held elections to choose leaders of our Party, once a year. Every member of our Party from the branches to the Division and to our General Assembly has a say in the elections of the leader of our Party. And the same is true with the other parties of the Alliance—the MCA and the MIC.

But what of the PAP? The Hon'ble Member from Batu was indeed right when he said that the PAP has never practised democracy. The leadership of the PAP nominates a number of cadres and these cadres elect their leaders, so that the leadership of the PAP can never be challenged, not even by their own members.

Is this democracy by any stretch of the imagination? How can a leader who does not practise democracy in his own party be expected to uphold the principle of democracy and practise democracy in Government?

The Hon'ble Member for Batu was again right when he said that there is no democracy in Singapore. What is the use of having elected legislators if they are not given a chance to express their views and to criticise the Government if need be.

We, on the other hand, the Alliance Party, have followed the rules strictly. We have held meetings of Parliament regularly and in our State legislatures we have held meetings just as regularly too. We have in this House allowed the Members of the Opposition full freedom and particularly the Hon'ble Prime Minister of Singapore himself—full freedom to speak and we gave them full hearing.

Therefore, Sir, it is clear to all that we in the Government really practise democracy in this country. I say clearly that the PAP does not believe in democracy. The PAP believes in one-party Government and in absolute rule by that Party.

There is no need for the Prime Minister of Singapore to impute any motives in the present Alliance Government, because we have shown by our deeds, by our action and by our practice that we are really true democrats. We have held National Elections three times and had followed not only in terms but also in the spirit of the practice of democracy.

Hon'ble Members of this House will remember that during the last General Elections, we gave the Opposition ample notice of our intention to hold the Elections. And we gave them six weeks in which to campaign throughout the country and put their views to the people. While in Singapore, the PAP only allowed other political parties nine days to prepare for the Elections. Is this following the true spirit of democracy?

In a democracy we are allowed freedom to speak, freedom to hold meetings, freedom of expression and freedom of thought but there are rules to the game and we cannot practise democracy unless we are prepared to follow the rules.

We on this side of the House know the Constitution of the country because we are responsible for drafting this Constitution.

We are responsible for giving the people the Constitution because we strongly believe in the principles of democracy and the fundamental rights of the people.

We have practised democracy in this country for almost ten years and no one can truthfully accuse us of not upholding the true principle of democracy. And not even the Prime Minister of Singapore could produce any evidence to say that we in the Alliance have not upheld the Constitution, both in terms and in spirit.

As of Parliamentary democracy, we welcome constructive criticism. We welcome a responsible and loyal opposition. But, Mr. Speaker, Sir, what have we seen in this new so-called Malaysia Solidarity Convention or Party or Organization, whatever they choose to call themselves—we had the privileges the other day, in the course of this debate, to see how members of this organization giving a display of their so-called unity or solidarity.

The Prime Minister of Singapore, presumably the leader of this solidarity group, stated repeatedly and stressed strongly that he would uphold the Constitution, and that he supports Malay as the national language of the country and he supports Article 153 of the Constitution.

And then we had another Member of this Solidarity Convention, the Hon'ble Member from Sarawak, the leader of the SUPP, who said he did not support Malay as the national language and would have the other languages to be recognised as official languages of the country.

Then, soon after that, we had the Member from Ipoh, the leader of the Peoples' Progressive Party, who said, equally strongly, that he does not support Malay as the national language as the sole official language, and that he does not support Article 153 of the Constitution.

Now, Sir, where is the unity or solidarity or even common grounds among these parties that form themselves into this group or convention?

Sir, we find another set of strange bed-fellows of the PAP in this so-called Convention, i.e., the UDP. It is interesting to know that the UDP had become respectable socialists to make common cause with the PAP.

We all know that the present leaders of the UDP left the MCA because they could not agree on the vital national issues such as the questions of national language and national education policy.

It may be that the UDP now has become supporters of PAP socialism. They only say they are against communalism in order to camouflage their continuing dependence for political support on communal and chauvinistic issues.

It seems, Mr Speaker, Sir, from the Opposition bench other than the PMIP and the Barisan Sosialis, only the Hon'ble Member from Batu is left out from the so-called Solidarity Convention.

Although at times we may disagree with the Hon'ble Member for Batu, he is basically a decent man and a man of principle. If he has been an opportunist, he will be sitting next to the great leader of the Convention, Mr Lee Kuan Yew himself. But the Member for Batu being a decent man cannot swallow this practice of discarding and ditching out of friends however misguided he may think they are. Even if he disagrees with his colleagues and supporters even in public, he still stands by them.

Now, Sir, having seen the coming together of the strange bed-fellows, it is pertinent to ask ourselves why Mr Lee Kuan Yew, the so-called socialist who not so long ago had the most utter contempt for all these men that he has now collected as colleagues in arm in a political battle?

The fact is that Mr Lee Kuan Yew's political base in Singapore is being eroded. The people of Singapore are disillusioned with his policies and promises. The ordinary people of Singapore, the workers and the shop-keepers are questioning his policy and all that he promised them in the past. Therefore he has to find new issues and if there are none, he has to create them to prove that he is still the only man who can rule Singapore.

He has to find a giant to fight with and in this he has found the Central Government which he says is a Malay-dominated Government of the UMNO.

He no longer has Mr Lim Chin Siong to mobilise the mass support for him and to instruct energetic cadres for him. Instead, now, he has to pay the Workers' Brigade, the People's Association and other Government organisations to produce the cheering crowds for him.

He hopes to build himself up as the Champion of the Chinese against the Malays and in this he has his allies—the UDP, SUPP and PPP. Mr Lee Kuan Yew, being a man of intelligence and calculates everything he does, knows and we know that he is playing a dangerous game. He knows that by whipping this anti-Malay feeling he may be pushing the Malays too far and the situation can get out of hand.

But he believes that as the Tunku is a man of goodwill and a man of peace, the Tunku and the Alliance Government will do everything possible to maintain communal harmony and goodwill. It is this belief that gives him the courage in this reckless adventure—this mad seeking for power.

But I must warn him that although we stand for racial harmony, for goodwill, for peace and for unity if, as a result of his adventure, troubles should break out in this country we must hold him fully responsible. I must ask his colleagues in the PAP, some of whom are dedicated men whom I have the privilege of knowing to ponder carefully the dangerous road their leader is leading them into.

In politics you can calculate, you can take your pencil and paper and work out various assumptions and presumptions but you can be wrong.

As my colleague, the Minister of Home Affairs said, we the leaders of the Alliance do not pretend that we are clever. But we know we are honest and sincere and we play straight politics and in whatever we do we always place the interest and safety of our people in this country uppermost in our minds.

As I said, Sir, in the Parliamentary democracy which we believe, we would not object to the Opposition. But what we resent in this attempt, in this time of our national crisis when we are facing a threat to our independence and sovereignty from outside, is to blacken the image of our country in the eyes of our friends abroad, to create doubts and suspicious among the minds of our people, and to undermine the goodwill and harmony among the various races of this country.

The Hon'ble Prime Minister of Singapore is a great expert in creating a situation which does not exist. He is an expert in organising campaigns, to create doubts, suspicions and confusion

in the minds of the people so that ultimately there will be chaos and troubles in the country and out of that chaos and troubles, he hopes to emerge as the leader who can save the country.

There is no need for the Prime Minister of Singapore to waste his time in this sort of campaign and under-hand activities, because ordinary men and women of Malaysia are practical people as he himself admitted. They have the common-sense to distinguish what is right and what is wrong. They have enough common-sense to know where the truth lies. There is no need for him to sweeten the feelings of the Malays and the natives by saying that he supports the National Language in Article 153 of the Constitution, i.e. the special position of the natives and of the Malays, when in actual fact he continuously, by words and deeds, undermines these two fundamentals.

In one breath he supports Malaya's National Language and in the next, he makes sneering remarks about the National Language. He said how could Malay language help to uplift the standards of living of the Malays? Of course he knows as well as we do that language has nothing to do with the standards of living of the people.

Language is a soul of the nation: Bahasa Jiwa Bangsa. This is not a matter which can be measured in terms of wealth or of the standard of living or of material advantage. We know this and the Hon'ble Member knows this too.

Why make such a remark if one sincerely believes in promoting the National Language, in making it the language for unity of our people. This continual habit of double talk in which the Hon'ble Member is a great expert cannot influence the people in any way because truth and sincerity must prevail.

Then the Honourable Mr Lee Kuan Yew and his newly found friends in the so-called Solidarity Convention speak of a "Malaysian Malaysia". They put it across to the people as if this is something completely new which has never been thought of before.

But everyone knows this is the object of the formation of Malaysia. Everyone knows that this is the objective in the Constitution of Malaysia. The Hon'ble Member himself knows the Constitution. He accepted it and defended it in the General Assembly of Singapore.

There have not been any changes in the fundamental provision of the Constitution. However, just because the Hon'ble Member is not part of the Central Government and is not responsible for the affairs of Malaysia, he cannot accept the situation as it is.

Malaysia which he supported is no longer the Malaysia that he wanted. That is why he talked about the winds of change. That is why he accused us of not integrating the various territories together.

If he is part of the Central Government as he had wanted to be, then everything would be all right. The PAP now talks about the winds of change. We had our winds of change in 1957. And it is our duty now to consolidate the independence that we have achieved to give our people of all races a better and higher standard of living and a rightful place in our country.

The truth of the matter is, as my colleague, the Minister of Home Affairs said, the PAP in Singapore found that they cannot adapt themselves to the new situation. They cannot accept the fact that they are one of the 14 States of Malaysia.

And that the Prime Minister of Singapore is the leader of the Government of only one of those States. Mr Lee Kuan Yew has found himself like a frog in a big lake. Obviously he has to croak in order to show his presence and to be heard.

As my colleague, the Minister of Finance said we in the Alliance have talked about Malaya for the Malayans since we first formed the Alliance Party in 1953. When our Prime Minister first mooted the idea of Malaysia, we told the people of Sarawak, Sabah and Singapore that we would like them to achieve independence together with us so that they would have the same status as we have enjoyed, the same rights and privileges as we had as an independent and sovereign nation.

We, the leaders of the Alliance, are now fortunately accustomed to this sort of talk, to smearing campaigns and to double talk ever since the Prime Minister of Singapore came into the political arena of Malaysia.

But we hope and trust the people of Malaysia of all races know this and should be aware of this double talk. We in the Alliance have always tried to be fair. We always like to play the game and although politics is a dirty thing, there are rules to the game and we always want to follow the rules.

The Prime Minister of Singapore spoke as if we in the Alliance have not upheld the Constitution and have prosecuted the people of this country particularly the non-Malays.

Now, I say categorically, Sir, ever since the Alliance came into power in Malaya since 1955, have we ever discriminated against any group of people in this country whatever their racial origins? We have allowed everyone complete freedom to lead their lives. Indeed we have always said and our Prime Minister has always said that it is our policy to make everyone happy.

Those who are poor to be rich and those who are rich, if out of their initiative and enterprise, they can be richer. Let them be so.

For generations in this country the people of all races have lived in peace and harmony. Ever since we achieved Independence in 1957, there have been peace and harmony. Since we established Malaysia in 1963, people of all races have lived in goodwill and harmony.

But why should this sudden talk of racial tension of one race tending to dominate another or of possible trouble. If there is trouble, let it be now? Why should there be such talk. Mr Lee Kuan Yew has to find some issues to make noise. Otherwise his voice cannot be heard beyond the island of Singapore. As my colleague the Minister of Home Affairs said, he shouts, "Fire, fire" while at the same time commits arson.

This is the tactic employed by a desperate politician who is ready to use any means to get himself some support.

Of course in the happy situation that the people of this country of all races are, the Prime Minister of Singapore finds it difficult to see anything wrong to criticise the Government—the Alliance Government.

He has, therefore, to create an imaginary situation, the most sensitive issue and one which can easily arouse the sentiment of the people.

What is this racial issue, differences and imbalances among the different races? He, therefore, decided to throw a wedge between different races. At first in order to make friends with the UMNO and the Malays, he attempted to discredit the MCA, stating that the MCA did not represent the Chinese, did not stand for the rights of the Chinese.

When he found that this tactic did not work and was completely rejected by the people at large and found out that UMNO decided to stand solidly with the MCA, he switched round his tactics and attacked the UMNO and the Malays.

He hoped by doing this he would get the non-Malays to support him. This is a tactic and that is why he has been whipping up this campaign of anti-UMNO and anti-Malays.

I say, Sir, this is a dangerous way of attempting to gain political support in a multi-racial country like this. This method must lead to racial strife and tension and ultimately to trouble and chaos.

I do not believe the Prime Minister of Singapore cares very much about this as long as he has a chance of getting additional support for himself. But we in the Alliance are responsible people. We have the interests and welfare of the country. We place the peace and harmony, the unity of our people of all races above everything else.

We say whatever we do, we must not upset this goodwill, this harmony and unity among our people. We must assure our people of various races that they have a place under the Malaysian sun.

Our policy is clear. We have made it clear many times that we are determined to maintain harmony and goodwill of our people of all races, to give them a proper place in our country, to help the less fortunate and have-nots so that they will have a decent standard of living and a proper place in our society.

It is our policy to maintain and strengthen the harmony, good-will and friendship of our people of all races so that ultimately they will regard themselves as members of one nation and not members of various races. This is our policy and our approach as my colleague the Minister of Home Affairs has made it clear.

And our method of unifying our people by a slow and steady process has proved a success in the former Federation of Malaya. There is no reason why they should not prove a success in Malaysia provided the people give us their confidence and their support. Mr Speaker, Sir, I have no doubt the people will continue to give their support to the Alliance for many, many years to come.

The gulf that divides the PAP and us, the Alliance, is now wide and clear. We, the Malaysian Alliance Party, stand for unity

of Malaysia, of harmony and goodwill among our people of various races, of peace and progress. The PAP stands for division, for partition and for disunity—therefore, in short, Malaysia Alliance Party (MAP) means Malaysia Abundance Progress. PAP means Partition and Perish—dalam Bahasa Kebangsaan PAP means Pechah akan Punah.

THE WAY TO BUILD A STRONG ECONOMY

— WHAT THE BERLIN WALL SYMBOLISES

The need to encourage initiative and enterprise of Malaysians was emphasised by Tun Abdul Razak in the course of this speech in Parliament on 24th December, 1964. In moving the Malaysia Development Estimates, 1965, he appealed to "every able-bodied man, throughout the country, to do a little more, to work a little harder because it is not money alone which will make us a great nation . . . ."

"That this House resolves that a sum not exceeding $801,156,724 be expended out of the Development Fund in the year 1965 and that to meet the purposes of the Heads and Sub-heads set out in the second column of the statement laid on the Table as Command Paper No. 37 of 1964 there be appropriated the sums specified against such Heads and Sub-heads in the tenth and eleventh columns in respect of Heads 100-153 and the eight and ninth columns in respect of Heads 155-210."

These estimates totalling an amount of $801 million are in no way symptomatic of a crushed, dejected and defeated nation; they are the very opposite of the dream of Soekarno, to cripple us with his "Confrontasi".

I feel very proud, Mr Speaker, Sir, and I feel also that this pride should be shared by each and every Member of this House irrespective of what Party he belongs to that we, as a united, democratic and free people have been able to press on, in the

year 1964, towards greater development, and towards greater progress, in spite of the designs and difficulties put in our path of progress by Soekarno and his colleagues.

We have shown to the world, by our words, our thinking, and our actions that democracy can, and will work, for the benefit of our people; and that development success can be achieved by a democratic process far greater than can be achieved by the dejected and down-trodden subjects of a demented dictator.

Actual expenditure of Development for 1964 will be in the region of $550 million and there will be a slight shortfall in spending, partly due to some projects which we cut back or rather postponed, because of the need for additional financial resources for Defence and Internal Security reasons.

However, apart from this, our record in 1964, the fourth year of our present National Development Plan, is a record of achievement which must infuriate Soekarno when he realises that not only has he failed to cripple us economically, not only has he failed to delay our Development, but in actual fact, by his deeds and actions, he has given us extra stimulus, extra determination and even greater unity in building our nation towards a more prosperous future.

Next year, 1965, is the last year of our present Five-Year Plan and work is already in full swing on the preparation of the First Malaysia Five-Year Plan which will start in 1966, and into which will be co-ordinated the development plans for Singapore, Sarawak and Sabah.

I do not wish to give you a long catalogue of the specific results that we have achieved so far, but, to mention only a few indicators, I am glad to report that in the field of agriculture, no less than 102 irrigation schemes have been completed, resulting in 68,000 acres of padi land being opened up for double-cropping.

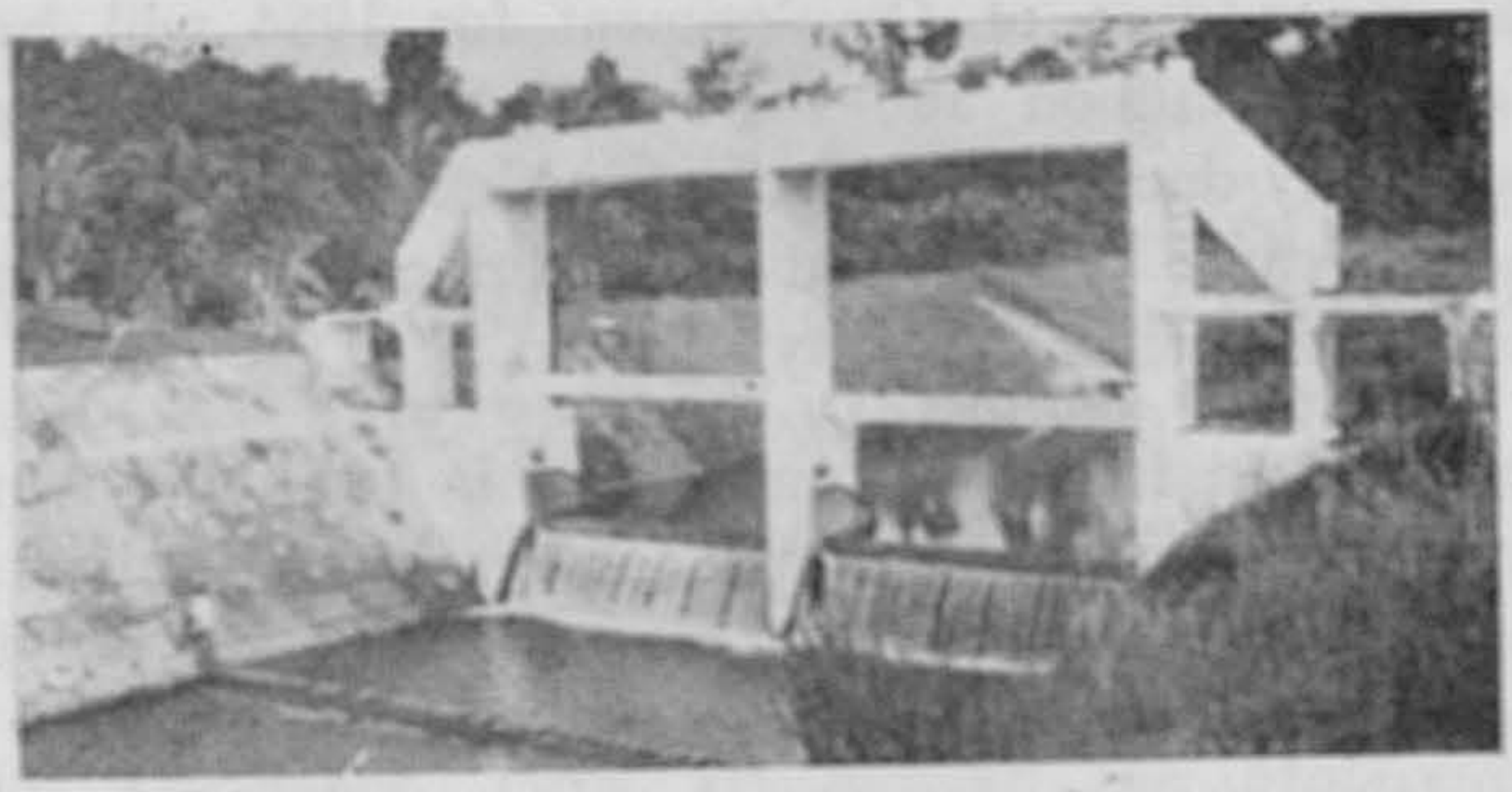
The Federal Land Development Authority has launched 60 land development schemes which will open up an eventual area of more than 250,000 acres.

After mentioning that considerable progress had been made on the planning of a large multiple-complex of land schemes known as the Jengka Triangle area in Pahang, Tun Razak said under the Rubber Replanting Fund "B", "the area replanted has risen to

over 637,000 acres which is a hundred per cent increase over the original area at the beginning of our Plan."

Continuing, Tun Razak said:

In addition to our large long-term projects such as the construction of the Faculty of Medicine and Teaching Hospital, the new General Hospital, our Road Development Programme and other major projects, I can quite honestly say that I do not think anywhere in the whole country there is not a new village, or kampong,



An irrigation headwork in Besut District of Trengganu helps to irrigate an area of 25,000 acres for double cropping.

which has not benefited from the many thousands of minor rural development projects which were thought out and implemented for the benefit of both the rural and urban areas.

With regard to Sarawak and Sabah, action has already been taken to extend legislation so that both the Federal Land Development Authority and the Rural and Industrial Development Authority can very soon start to operate in these two States for the benefit of our rural brothers there . . . .

The basis of the prosperity of the rural areas is to ensure that the rural producer is not deprived of a fair return for his labour. I am glad to say that legislation is being drafted now for the setting up of a National Rural Marketing Authority which will be a very active organisation, charged with the important task, not only of adjusting and re-organizing the present marketing system but also, with a well-qualified and competent team of economists, market research experts and market investigators it will be able, in parallel, with action on present-day marketing, to carry out planning, and forward thinking to explore new markets and new techniques.

The future progress and prosperity of our country will also depend on our ability to diversify our agricultural production. Plans have been prepared and research is being carried out to ensure that we will not be entirely dependent on the rubber tree, but will on a broader base, develop our agricultural economy

Already the Federal Land Development Authority has started several oil palm schemes and this new area of the Jengka Triangle is particularly suitable for the production of oil palm.

This is a first step towards diversification.

There is a possibility that the large-scale growing of sugar cane may be successful in the northern regions of Malaya.

The present forest policy is being reviewed and changed so that the vast timber resources of our country may be more greatly exploited and turned into a thriving industry with such subsidiary industries as the making of paper, hard-boards and other such forest by-products.

One of the main difficulties in implementing a programme of agricultural diversification is the present shortage of trained and qualified Agriculture Officers.

Mr Speaker, Sir, in order that the right type of young person will be attracted to a career in agriculture, it is our intention that in our new secondary school system, facilities will be available to allow students, even at the early age in Form Four, to start their vocational agricultural training and continue right on to either diploma stage or a degree stage.

If they fail to reach the academic heights of a degree or diploma and leave school prematurely they will still, nevertheless, be sufficiently educated in modern agriculture to become good farmers.

Much will have to be done, and this is where the Hon'ble Members of this House can help, to encourage parents and their children to realise that the profession of agriculture is as equally rewarding as other professions, and is as equally honourable as the profession of politics.

The Government regards the subject of improving the economy of the rural people and in particular of giving them a greater share in the business and commercial life of the country as one

of utmost importance. The Government considers that it would be best if this important task is given to an independent authority under general direction and guidance of Government.

The RIDA Dewan Latehan at Petaling Jaya has proved a most successful business training school, equipping young people from the rural areas with a background suitable for them to enter into business. I am glad to say that the results of this Dewan Latehan so far have been most rewarding.

There are many cases of young men in the rural areas who, after completing a course in business training, have been able to step straight into a job in business with a starting salary of $600 to $700 a month.

It is, therefore, our intention to increase and multiply the intake of students to the Dewan Latehan so that we can double, treble and even quadruple the number of trained young people from the rural areas and channel them into the commerce and industry of our country.

One of the most successful ventures of RIDA has been the boat-building yard in Kuala Trengganu which has given efficient training to the rural people on the East Coast in boat-building, and only two days ago an excellent ocean-going rescue ship was launched into the sea, a product of this RIDA boat-building yard!

It is our intention, therefore, to develop his Boatyard and eventually allow it to be run as a separate Authority so that it will get more intensive treatment and will allow the staff of RIDA to concentrate on their main activity of rural industries and business training.

Another new venture which I am glad to report to this House is that considerable progress has been made in the planning towards the establishment of a Bank Ra'ayat to fulfil the need for a borrowing institution to which the rural people can go with ease and obtain credit for their own business projects in the rural areas.

The setting up of a Bank Ra'ayat will not clash with the loan activities of RIDA but will allow for an extra form of providing credit to the Rural Sector and will do much to mobilise the savings of the rural people.

I am glad to report to this House that legislation has now been drafted for the setting up of the Federal Industrial Development Authority, as recommended by the Rueff World Bank Mission and the role of this Authority will be to co-ordinate, activate, and stimulate greater progress in our industrial sector.

As my colleague, the Hon'ble Minister for Commerce and Industry will explain at greater length, there is much faith throughout the world in Malaysia as a politically and economically stable nation which is attracting investors from all over the world to come and establish their factories here, not with a view towards a purely domestic market within Malaysia, but also using Malaysia as an industrial *spring-board* for the sale of Malaysian products throughout the whole area of South-east Asia . . . .

In a young and developing country like ours it is desirable for us to encourage initiative and enterprise and it is only by the initiative, enterprise and industry of our people can we build a happy and prosperous nation. Our policy must, therefore, be to level up—to plan and help the less fortunate of our people and let those who have the enterprise and capacity do all they can to develop and expand our economy. It is only by this way can we build a strong economy for our country and allow our commerce and industry to thrive so that we can take a rightful place among the free nations of the world.

And it is with these two programmes, going forward hand in hand, which has made Malaysia what it is today—a progressive and *fast forward-moving nation*. As my colleague, the Hon'ble Minister of Commerce and Industry, has already told this House, a perfect example of the difference between over-enforced Socialism compared to progressive free enterprise, can be seen by standing near the wall which divides East and West Berlin.

East Berlin is dead-beat and poverty-stricken; West Berlin and West Germany, with a free, determined and enterprising people have revived their economy beyond even their greatest hopes out of the ruins of War . . . .

The ideal policy for the industrial sector of our Development Plan is a continual and detailed examination and execution of how we can industrialise with those industries which will make the *greatest use of our own primary products.*

And, as long as the Alliance Government is in power, we will encourage the setting up of factories by both local and external investors who are prepared to turn our rubber into tyres, our timber into paper, and our tin into metal boxes; our primary produce into finished Malaysian products.

But the first pre-requisite for progressive industrial development is the firm base of political stability and I believe, Mr Speaker, Sir, that this House, and this Parliament Building, is a symbol of our stability as a free and democratic nation in which the rest of the world can, quite rightly, put its trust . . . .

During the debate on the ordinary budget a number of Hon'ble Members of the Opposition spoke about the desirability of creating a national consciousness, a Malaysian outlook among leaders of this country. This suggestion is not new nor is it original but it is something deep rooted in all our hearts. No one will deny that the basis of our progress and development, the basis of the happiness of our people and the peace in our country must be harmony, goodwill and unity among our people. This in turn depends on the leadership in our country and on the outlook and the trend and tenor of the speeches—whether they are working sincerely for the true interests of our people and our country, Malaysia.

I would even go further in saying that the future of our nation, the direction in which our nation will progress will be determined by the trend and tenor of the many millions of, as yet unspoken and undelivered, speeches of leaders of our people, inside and outside this country.

It is true, Sir, that with the establishment of Malaysia all of us who are citizens of this country have a right to claim ourselves as Malaysians from the very day Malaysia was established. But citizenship carries with it duties and responsibilities and it is not encugh for us to claim our legal rights as citizens but we must at the same time show that we are worthy of such rights by serving our country, by working for its true interests and by showing undivided loyalty . . . .

The first duty of all of us must be to try to serve our new nation, to defend its honour and integrity in this hour of national crisis rather than to talk of our rights as citizens. No one would question the right of every citizen of this country. After all we are a democratic nation and our country and all that it stands

for belongs to all citizens of all races which form the population of our country. Therefore, Sir, I appeal to all Members of this House and to all leaders of our country to put our nation and our country first and foremost in our thoughts, and in our actions, at all times.

We the Alliance Government have always believed in democracy and have endeavoured to practice democracy in form and in spirit. We have been a liberal Government, indeed on many occasions we have been criticised for perhaps being too liberal. Democracy means freedom of the individual, freedom of expression and freedom of thought. There is no question at all of having a closed or an open society. We have a democratic system of Government and a democratic way of life. But we practise real democracy and in the democracy that we practise there is all the freedom that I have mentioned and it is necessary for us, all of us, to play the game according to the rules.

We have the Constitution and we should adhere to the Constitution according to the letters and spirit. Democracy cannot work satisfactorily if we do not follow the spirit and adhere to certain unwritten rules and conventions and if our democracy is to grow in strength it is necessary for all of us, in our speeches and our actions to practise democracy and not merely pay lip-service to democracy. It has often happened, Sir, that the people who shout the loudest about democracy, in support of democracy, are those who want to make use of democracy to destroy democracy.

Our present Development Plan is running out and will be finished at the end of next year, 1965 and as I said, the Government is very satisfied with the progress of the implementation of this Plan so far . . . .

Our achievements during the past four years of our Development Plan and our intention to proceed with our First Malaysia Plan are clear indications that, despite confrontation, despite external threat to our independence and integrity we are determined to move forward with unity and with positive action to prove to the world, that we can and will succeed in giving our people a better and higher standard of living and a rightful place among free and independent nations of the world.

But we will not succeed in Development merely by confining ourselves to debate, merely by voting funds for Government projects, or merely by giving our credit.

There is a saying among sailors on the sea that "A convoy of ships travel at a speed of the slowest ship in the convoy".

And we, as a nation, are somewhat similar. We will travel at a pace, the pace of the slowest of our own people.

Although Hon'ble Members come here and sit in this House as representatives of the people who elected them, it is my feeling, and my belief that, in this representation, there should be a two-way traffic, not merely or continually asking, asking, asking Government to do everything; but the time has come also, at a time of national crisis, that we ask every able-bodied man, throughout the country, to do a little more, to work a little harder because it is not money alone which will make us a great nation; but only by the industry and hard work of our own people can we hope for progress.

I beg to move . . . .

OUR PROGRESS: WHAT 5,000 VISITORS SAID

— FROM NATIONAL TO INTERNATIONAL IDENTITY

The rapid strides the nation had made since the inception of the National Development Plan on 7th February, 1961, were described by Tun Abdul Razak when he spoke in Parliament on 1964 Development Estimates. "I am proud to say that our nation has gained tremendously in stature." he added.

MR SPEAKER, Sir, I beg to move that the motion standing in my name be referred to a committee of the whole House. As both this House and the country know, it is not the principle of the Alliance Government to look backward but rather to look forward. However, today, I would like to break with this principle and with this tradition and ask you to look backward over the last three years. I remember vividly the 7th of February, 1961, in our former Parliament building, when I rose to introduce our present National Development Plan. To me it seems as if it were only yesterday.

In the last three years, which have passed quickly, so much has been done and, perhaps, time has, in fact, passed with such speed that these years have been filled, day by day, with tremendous action and activity towards the betterment of our people and our nation.

Not only has the building of our Parliament gained an entirely new stature, but also I am proud to say that our nation has gained tremendously in stature—a stature which has been considerably strengthened and enhanced with the coming together, with free-will and goodwill of our friends and brothers from the three new States of Singapore, Sabah and Sarawak.

Sir, we have no need to waste months and years looking for a national identity. We have a national identity of which we are proud—a national identity of a free and democratic Malaysia. This House—the membership of this House, and the democratic representation of our people throughout the whole of Malaysia—is in itself sufficient proof of our national identity. I honestly believe that no Member of this House, whether he be on the Government benches, or whether he opposes Government policy, has not, somewhere deep down in his heart, a silent pride of belonging to this new vital nation of Malaysia of which we have the honour to be citizens.

I think we can take pride, albeit with modesty, in agreeing with those countries throughout the world, who have praised us by describing us as a democratic nation practising democracy with dignity and implementing our Development Plan with deliberate determination and drive.

Now, turning to the Estimates before you, Sir. I should like to stress a point regarding development which is very often forgotten. It is not entirely the amount of money available for expenditure in the Government sector of our Plan. Any Parliament, anywhere in the world, can vote money, provided it has funds available, but the main thing in implementing a development programme is the ability to convert such money into tangible development projects on the ground. So, therefore, equally important to the voting of funds is the capacity of the Government—professional, technical and administrative machinery—to be able to translate more dollars into tangible projects on the ground.

Leaving aside for the moment provision for the State of Singapore, Sabah and Sarawak, Honourable Members will notice that the total expenditure for the implementation of the fourth year of the original Malayan Plan, there is a provision of over $520 million. Comparing this to the pre-Merdeka year of 1956, there was only $100 million available for development.

The very fact that we can tackle next year a programme of $523 million together with an added sum of $106 million for the

States of Sabah, Sarawak and Singapore is a great compliment to the hard-working ability and devotion to duty on the part of the many thousands of Government officers throughout the country responsible for translating into action, in the form of tangible projects, the words and deliberations of this House.

In other words, Mr Speaker, Sir, to go back to this question of national identity, I should like to add another factor to our national identity, and that is that we, as a nation, have been recognised as being far and away ahead of many other nations in our ability to get a development plan off paper and on to the ground without wasting time about it.

This, Sir, as I have stated in this House, has been testified by no less than 5,000 overseas visitors, who in the last three years have visited our shores with the express purpose of finding out the technique employed by this Government in the implementation of our development plan. Therefore, we may take pride on the score of development that we not only have a national identity but also we have achieved an international identity. This, Sir, as my Honourable colleague, the Minister of Finance stated in his speech introducing the 1964 Budget, is a measure of our success, and this is the magnitude of our achievement.

In two respects 1964 will be a noteworthy year in the history of development of the States which make up Malaysia. For the States of Malaya, 1964, will be the fourth year of the Second Five-Year Plan and will enable us to assess the results of what has been achieved during the past three years. In 1964 also the Federal Government will be making its first contribution to the development of Sarawak and Sabah and will be joining for the first time as a partner in the development of Singapore.

As regards Malaya, I think few people still need convincing that the methods we have adopted for planning and achieving the economic and social development of the country have been resoundingly successful. One has only to travel round the country-side to see the large areas under new land development schemes, the many new schools, health clinics, water supplies, roads and bridges, telecommunications services, electrical installations and the like.

Similarly, the air of bustle and confidence in the sphere of commerce and industry is apparent throughout Malaya and is reflected in the reputation which our country enjoys in the

financial centres of the world. It is not surprising, therefore, that what has most attracted the public of Sarawak and Sabah to the idea of joining Malaysia has been the opportunity to share in the kind of progress which our methods of development planning and implementation are allowing us to achieve in the States of Malaya.

During 1964 and 1965 our development effort will be extended to the whole of Malaysia, but nevertheless, the form and individuality of the Plan which we began in 1961 will not be lost. We shall surely be adding to it additional sections to cover the new States. During this time, planning will be going on for what would have been the Third Five-Year Plan for Malaya and will now be the first Malaysia Five-Year Plan covering the period 1966-1970. In this first Malaysia Plan will be included what remains of the development plans, which may already exist in the three new States. The thinking behind the Plan, however, will be a Malaysian thinking aimed at producing the best possible results for all the States of Malaysia considered as a whole.

It was stated last year that a full scale review of the Second Five-Year Plan was being carried out with the object of ensuring that the allocation originally made to the various sectors and projects included in the programme is being tabled this morning before this House. Now, Sir, the effect of the review can be seen in the tabled annexure to the Treasury memorandum on the Development Estimates, Command Paper No. 49 of 1963, where the revised Plan target for each Department is shown together with the cumulative annual total expenditure expected during each year of the Plan.

Sir, this green cover document (Command Paper No. 1 of 1964) is no propaganda pamphlet. This report is the fullest statement yet made of Development performance in Malaya. Achievements are stressed and set forth with considerable detail. The problems and tasks ahead are also discussed to make the report analysis of all major aspects of Development. We have so far reached a half-time score in the implementation for our development programme; and I can say with pleasure and with pride that the goals we have already achieved, at half time, are considerable. I can also say with assurance that with the continued drive and determination of the Alliance Government, the final score of this Five-Year Plan will be even more satisfactory because, Mr Speaker, Sir, in spite of confrontation, I can assure this House that the present maximum momentum on Development will be maintained.

Sir, we are tired of the silly speeches of those who, like political parasites, are perpetually picking at the corpse of colonialism, just because they have nothing else to say and are, perhaps, jealous of the achievements of the Alliance Government (*Applause*).

The Alliance Government has established a reputation throughout the country as a Government which will give of its best to the people we serve.

I regret, Mr Speaker, Sir, because of the difficulties of obtaining reliable international statistics, we have not been able to put international comparisons into this review, so that Honourable Members would have an opportunity to compare our progress in Malaya with other countries which have been independent for a similar, or even a longer period than ourselves.

However, if any Honourable Members of the Opposition doubt the achievements of the Alliance Government, they have only to travel in some other Asian countries and see, every mile of the way, the sharp contrast between what they would see there and, on their return, if they were honest enough to admit it, they would have no more doubts about the success of our own Development Plan here in Malaya.

Also, on their travels in other countries they would realise the value of the Malayan dollars they would take with them because, in spite of the tremendous amount of money, which the Alliance Government has put into sound and solid Development, it has been a good caretaker of the country's wealth and has been able to achieve all these results without either causing inflation or raising in any way the cost-of-living index, which shows very little change over the whole period that this Development review covers.

Sir, one feature of the review has been the contribution made to development expenditure by States and statutory authorities from their own resources. At the time the current Plan was being prepared, very little information was available on which a forecast could be made of the contributions, which could reasonably be expected towards the Plan. At the time, the planners included a figure of only $360 million for these bodies, of which $220 million represented State Government expenditure and $160 million expenditure by other public authorities, such as the Central Electricity Board, Malayan Railway, Port authorities and the Municipalities. The revised target, which has been prepared in

the light of actual achievements in 1961 and 1962 is no less than $576 million, of which $267 million is State expenditure and $236 million is expenditure from the resources of the Central Electricity Board.

These amounts are in addition to the grants and loans, which have been made to these authorities from the funds of the Federal Government. The review has also resulted in changes in the expenditure targets of many of the departments of the Federal Government—in some cases upwards and in some cases downwards. The main increases are for rural development, roads and bridges, telecommunications, broadcasting, television and commerce and industry. Very considerable increases have, of course, been necessary for the Police and for defence, reflecting the centrally incurred expenditure which is attributable to Malaysia. Where decreases have taken place, they have been due to a more realistic phasing of departmental programmes, involving the postponement of some portions until the next Five-Year Plan. In that part of the Plan which relates to Federal Government expenditure, there has been an increase of $564 million over the original target figure, out of which Defence and Internal Security account for $319 million and other sectors for $245 million.

I am pleased to state that the allocation among sectors, excluding Defence and Internal Security requirements, still gives the economic sector no less than 71.3 per cent of the total outlay.

Sir, with the transmutation of the old Federation of Malaya into the new and larger entity of Malaysia, it is not surprising that the Development Estimates for 1964 now tabled provide for a higher figure expenditure than ever before. I am glad to say that the resources available to meet this expenditure have also been increased, and in this connection I would draw the attention of Honourable Members to the statement of estimated income of the Development Fund for 1964 appearing at the beginning of the Development Estimates. From this table, it will be seen that we expect to receive $60 million from the British Government as a grant towards the capital cost of Malaysia defence and $17 million as a grant for the development of the Borneo States.

Singapore will provide $13½ million in reimbursement of Federal development expenditure in that State and also a sum of $30 million representing the first instalments of the loan for development of the Borneo States in accordance with the terms of the Malaysia Agreement. These sums, amounting to more than $120

million, will be available to help towards the expenditure provided for in these Estimates, and it will thus be clear that Malaya is not being left alone to bear the burden of Malaysia entirely from its own resources.

At this stage Tun Razak gave details of the allocation of funds under various heads and then continued:

Under the financial arrangements agreed for Malaysia, the sound financial position of Sabah was recognised, and the contribution which the State is able to make towards its own development is thus proportionately a high one. For 1964, this State has not sought any grant or loan from the Federal Government for subjects which are the constitutional responsibility of the State, as is the case with all the States of Malaya and Sarawak. All the provision under the Heads relating to Sabah, therefore, represents direct Federal expenditure on subjects which are a direct Federal responsibility.

The expenditure provided for in the Sarawak section of the Estimates amounts to $56.5 million and constitutes the Federal element in the first phase of the new Sarawak Development Plan 1964-1968, copies of which have already been tabled in this House. It so happened that the establishment of Malaysia coincided with the end of the current Sarawak Development Plan, and the new one has been prepared taking into account the extra resources and technical assistance which are likely to be available as a result of Malaysia. Although the Plan has now been prepared on a State basis, that part of it which represents the Federal share will naturally become merged with the Malaysia Five-Year Development Plan beginning in 1966, which I mentioned earlier in my speech.

Sarawak is at present a relatively undeveloped State and a large amount of capital investment is necessary, in order to bring its economic and social development up to the level of other States of Malaysia. With the assistance that the British Government and the State of Singapore are providing under the Malaysia Agreement for development in the Borneo States, I feel reasonably confident that the expenditure target set out in the Sarawak Development Plan can be achieved without an undue strain on the resources of Malaysia.

Now, the section dealing with development expenditure in Singapore has an unusual feature in that, unlike all the remaining

Heads of the Development Estimates, this group provides for expenditure by the Federal Government which will be reimbursed by the State concerned. Under the Malaysia Agreement, development expenditure on Federal projects in Singapore which are predominantly of benefit to that State is reimbursable by the Singapore Government. Where such expenditure is not predominantly for the benefit of Singapore but is required for Malaysia as a whole, the amount to be reimbursed by Singapore is subject to negotiation.

The four parts of these first Development Estimates for Malaysia, the contents of which I have briefly outlined, add up to a total of $721.5 million. From experience, it is reasonable to estimate that there will be an overall carry-over of about 20 per cent. into 1965 so that actual expenditure in 1964 will probably be about $578 million.

In respect of development expenditure in the States of Malaya, the level of expenditure will probably be similar to that achieved in 1963. The same will no doubt apply to Singapore. In Sarawak and possibly in Sabah, the actual level of performance may well be lower than the budgeted figure, as this will be the first year of the new Sarawak Development Plan and construction capacity and the machinery for development planning and project execution will not have been fully built up.

Now, Sir, in introducing past phases of the Second Five-Year Development Plan, the Government has tended to stress the achievements which can be expected in the future. At this stage, we are already able to see a promising measure of positive results. At the same time, we must take a further look into the future as a result of the vast new commitments which are being undertaken with the establishment of Malaysia. Were it not for the measure of success, which we have already demonstrably achieved, it is difficult to imagine that the Federal Government could contemplate offering to the Borneo States the prospects of economic development referred to in the Report of the Inter-Governmental Committee on Malaysia.

Further resources will have to be found during the course of the next few years, both from domestic revenue and from internal and external borrowing. However, I have little doubt that our economic position and our international reputation for financial stability will be sufficient to enable us to meet this challenge and

to promote the welfare and prosperity of all the inhabitants of Malaysia effectively, whether they dwell in the old States of Malaya or in Singapore or Sarawak or Sabah. Sir, I beg to move,

That pursuant to Standing Order 67c the following Motion be referred to a Committee of the whole House.

That this House resolves that a sum not exceeding $721,587,720 be expended out of the Development Fund in the year 1964, and that to meet the purposes of the Heads and Sub-heads set out in the second column of the Statement laid on the Table as Command Paper No. 46 of 1963, there be appropriated the sums specified against such Heads and Sub-heads in the ninth and tenth columns in respect of Heads 100-153 and the eighth and nine columns in respect of Heads 155-210.

THE BEST FORM OF GOVERNMENT

AN APPEAL TO LEADERS OF COMMERCE

During the following speech in Parliament on 1963 Development Estimates Tun Abdul Razak appealed "to the various captains of the industry and leaders of commerce and finance to set up, on their own, a machinery which will harness the best brains and the best thinkers in the Private Sector and crystallise their efforts into a definite boosting charge to the Private Sector of our economic plan."

I have spoken at some length in Malay on the achievement, that we have made in implementing our Second Five-Year Development Plan. Although we have not yet reached half time in this Five-Year Development Plan our score is high and, as I have indicated in 1962, we will spend more than we had anticipated. This means that we are, in fact, ahead of schedule in producing the many hundreds of economic projects included in our National Plan.

This, Sir, is ample proof that we are not lacking in our determination to implement our Development Plan with speed and efficiency. I think, we can well be proud of the progress that we have achieved so far.

The progress so far achieved reflects not only the increasing tempo of development activity in the country but also that considerable success has been achieved by Government Departments in building up the level of administrative and technical capacity required for the successful implementation of the public sector programmes of the Second Five-Year Plan.

In this connection I should like to take this opportunity of paying my highest tribute to the many hundreds of Government officers throughout the whole country—technical, administrative and executive, wherever they may be—for the great part they have played and continue to play in helping us to build a prosperous and stable nation through the implementation of our National Development Plan.

As the composition of the Development Estimates indicates that despite substantial increase in the technical capacity of the public sector, a larger number of projects than can be supported, it will continue to be the policy of the Government to place priority on those projects which contribute to the economic and social well-being of the country, particularly those of rural areas.

Within the present and future limits of the financial position, the Second Five-Year Plan will continue to be implemented with the strictest regard to the requirements that it should provide maximum positive impact to the stable economic and stable social development of the country. Now, Sir, the word stable—and when thinking of stability—it reminds me to make reference to the Private Sector of our Second Five-Year Plan.

It has been said many times and quite rightly that perhaps the final success of our Second Five-Year Plan depends on what happens in the Private Sector. I should like to see the representatives of the Private Sector applying the same principle which we, the Government, applied to the implementation of our Plan.

In the Private Sector I should like to see similar action being taken of all the representatives of commerce and industry getting down together and forgetting, for the time being their individual

interests so that they may examine impersonally, and yet forcefully, the problems which face us and combine together to produce suggestions and solutions which will give more impetus and more force to the Private Sector of our economy.

Mr Speaker, Sir, it has been said by great thinkers in the past that "the best form of Government is the least form of Government". In other words it should not be necessary for the Government in every detail, in every case, to put forward plans and suggestions, and this particularly applies in the Private Sector.

Let me here and now appeal to the various Chambers of Commerce, the various captains of industry and leaders of commerce and finance in our country to set up on their own a machinery which will harness the best brains and the best thinkers in the Private Sector and crystallise their efforts into a definite boosting charge to the Private Sector of our economic plan.

This is extremely urgent for if the Private Sector does not increase its present rate of expansion, it is estimated that there will be a shortfall from the target of $2,900 million of something in the region of $400-$900 million.

We, in this country, the Alliance Government, have succeeded in creating an atmosphere of political stability and reliability. Political stability is the real foundation of economic stability. It is political stability that will give impetus to every aspect of the Private Sector to go ahead with confidence and trust, so that our industries will expand, so that world traders will have faith in us, and Malaya may be regarded as a country with a political and economic structure that can be trusted and in which private enterprise is a worthwhile undertaking with the minimum of risk and the maximum results.

I have no doubt that given the political and economic stability our young country will march forward in peace and that we should be able to carry out our Development Plan with the same tempo that we have followed for the last two years.

PROJECTS ARE AHEAD OF SCHEDULE

WORLD EXPERTS PRAISE OUR PLAN

Speaking as early as 14th August, 1962, Tun Razak told Parliament "not only have we made considerable progress in the implementation of our Development Plan, but we are, in fact, ahead of schedule in producing the many hundreds of economic projects." Referring to Malaysia's achievements, he recalled that world experts had stated "that we, as a nation, have managed by many means to put meat and muscle to the bones of the verbal skeleton."

You will remember, Mr Speaker, Sir, in launching our Plan, I said it was a bold and ambitious Plan for a young Nation such as ours, and the fact that the Government have to come to this House in the middle of this year asking for more money is proof that we are in no way lagging behind either in boldness or in our determination to implement it at speed; not only have we made considerable progress in its implementation, but we are in fact ahead of schedule in producing the many hundreds of economic projects included in our National Plan.

Recently, it was said by world experts who have had experience of economic planning in no less than 75 countries in the world that the drawing up of a Five-Year Plan is a comparatively easy task, but, its day to day implementation, the task of translating a plan from paper, and words, into sound economic projects is a task which requires a continual effort, a continual vigilance and a consistency of purpose which is not always easy to achieve.

Our National Plan has not remained as a mere paper Plan but again to quote the world experts, "in comparison to many national plans throughout the world it has appeared to them that we, as a nation have managed by many means to "put meat and muscle to the bones of the verbal skeleton" of our basic Plan—an achievement of which we may well be proud!

Mr Speaker, Sir, I know that as a Member of this House and as a Minister who has considerable responsibility for National Development, it becomes me in standing before you, Sir, to be modest and not to over-state the case of my Government but I would hate to mislead you, Sir, and this House, by allowing my modesty to withhold from you the true facts—and the facts are that in launching our National Development Plan we got off to

a good start and I am glad to say we have been able to maintain and sustain the pressure of action which is so vital to the progress of our Nation.

To give an example of this, let me take our Rural Road Building Programme. Members will remember that in the original Plan $90 million was allocated for the whole of the Five-Year Period.



A kampong road with a new bridge provides access to secluded kampongs in the district of Gelang Patah in Johore.

But what in fact has happened, Mr Speaker is that we have pushed ahead so far in the implementation of this Road Programme that by the end of this year, 1962, we will have almost completely committed this $90 million and I can assure, you, Sir, from my own tours around the country, I have seen with my own eyes that this money has been put to very good use throughout the rural areas in opening up many thousand acres of land and in improving the conditions and standard of living of our Rural people.

To give another example of the tangible progress which is being made in Development, as this House already knows we have 37 land development schemes in progress being implemented by the Federal Land Development Authority. These include a total of a hundred and forty thousand acres under development and will provide land and livelihood for approximately 12,000 families. Of these schemes, 60,000 acres have been felled and cleared and about 36,000 acres have already been planted and approximately 3,700 families have already settled on the land.

Looking ahead to next year, provisional planning and work has been undertaken on a further 12 new schemes, five of which

will be planted with oil palm. These extra 12 schemes, when implemented will develop a further acreage of 50,000 and will provide a livelihood for 4,500 families. As this House is already aware, these schemes provide not only land to settlers but also all the essential amenities such as roads, water supplies, schools, medical services and all the other things necessary for a higher and better standard of living.

Similarly, Mr Speaker, Sir, I could go through our Estimates, Head by Head, and give this House a detailed review of our achievements—achievements, Sir, which could be regarded as high score even before we have reached half time in this Five-Year National Development.

I should like, Mr Speaker, the House to understand that although action in the implementation of our Plan is well under way it does not mean that action is automatic.

From day to day, although we make progress we also meet difficulties, because Development in this modern world is no longer a straight-forward, simple matter and it is seldom that any one single project can be implemented merely by action of the one Department concerned. Nowadays with such technical advances in the world, Development is rather similar to the four or five dimensional film.

Many technical Departments are involved and this requires the closest co-ordination and the closest co-operation on the part of each and every technical officer concerned.

If one Department blows its "technical trumpet" too loudly there is a slowing up of action; the closest day to day departmental co-operation is necessary.

I am glad to say that the promise which my Government gave, in paragraph 3 of our National Rural Development Directive No. 1, *the promise that* "all resources of our Government, and the entire energies of Government executive effort will be harnessed and directed towards the aim of our National Development and that the complete machinery of Government will be geared into a singularity of purpose and action to achieve it".

This, Mr Speaker, Sir, has been achieved and continues to remain a fact and I should like to take this opportunity before the House of paying tribute to the many hundreds of Government Officers throughout the whole country—technical, administrative and executive, wherever they may be—for the great part that

they have played and continue to play in helping us to build a prosperous and stable nation through the implementation of our National Development Plan.

The word stable, and thinking of Stability reminds me to make reference to the Private Sector of our Second Five-Year Plan.

It has been said many times and quite rightly that perhaps the final success of our Second Five-Year Plan depends on what happens in the Private Sector, and I think it is right, Mr Speaker, that in standing before this House, I be absolutely honest and sincere about this.

I have two points to make. The first point is that I should like to see the representatives of the Private Sector applying the same principle which we, the Government, applied to the implementation of our Plan.

In order to gear the resources of Government to get down to hard work in implementing projects we brought together into the Development Teams, the professional and administrative officers and Elected Members to form Development Teams throughout the country and to sit down and thrash out and examine problems together with a frankness and singleness of purpose and then having done this, once the Plan was decided and action under way, to give their wholehearted support and maximum effort towards *follow-through* action.

In the Private Sector I should like to see similar action being taken of all the representatives of Commerce and Industry getting down together and forgetting, for the time being their individual interests so that they may examine impersonally, and yet forcefully, the problems which face us and combine them together to produce suggestions and solutions which will give more impetus and more force to the Private Sector of our economy.

One point I wish to make, Mr Speaker, is that we could talk, and can go on talking in this House until well after mid-night, each night, on Economic Stability; and it is an accepted fact that economic stability is the foundation on which our Private Sector, Commerce and Industry, will thrive.

But, Mr Speaker, let me remind this House that the real foundation of economic stability is political stability and my Government have tried, and we are succeeding to do everything in our power to create an atmosphere of political stability and reliability which will give impetus to every aspect

of the Private Sector of our economy to go ahead with confidence and trust so that our industries will expand, so that world traders will have faith in us, and so that we will be regarded not only in Malaya, but throughout the world as a country with a political and economic structure that can be trusted and in which private enterprise is a worthwhile undertaking with the minimum of risk and the maximum results.

Every speech in this House, and outside it, is either a contribution to our political stability, or it is a detraction from such stability.

I leave it, Mr Speaker, to the Members of this House to decide whether they wish to contribute or detract from our national prosperity.

TRIBUNAL AWARD NOT REJECTED IN TOTO

GOVERNMENT FAITH IN ARBITRATION REAFFIRMED

The Government's confidence in the National Whitley Council machinery and its faith in the principle of arbitration as a means of settling differences between Government and its employees were reaffirmed by Tun Abdul Razak in opposing a motion moved by Dr Tan Chee Khoon at the Dewan Ra'ayat on 1st March, 1965. Extracts of the Tun's speech follow.

MR SPEAKER, SIR,

I rise to oppose the motion of the Hon'ble the Member for Batu, Dr Tan Chee Khoon.

At the outset I would like to make it quite clear that it is not correct to say that the Government has rejected in toto the award made by the Government Services Arbitration Tribunal in respect of the claim by the Union of Post Office Workers. Hon'ble members of this House may have learnt from the numerous Press reports and releases which have been published on this claim by the Union of Post Office Workers that the Union's claim was for a separate and higher salary scale for the clerks in the Postal Department and a higher rate of allowance for those clerks who are in charge of Post Offices.

The Arbitration Tribunal which considered this claim made an award which may be divided into three parts, namely, (i) Salary

scale, (ii) In-charge Allowance and (iii) Operational Allowances. In respect of salary scale, the Tribunal awarded that the salary scale, which had been offered by Government to the clerks of the General Clerical Service and accepted by the Staff Side, should be applied to the clerks of the Postal Department. The Tribunal also awarded an increase in the salary of the Head Postmaster, Kuala Lumpur. Except for the award on the salary of the Head Postmaster, Kuala Lumpur, the Government accepted the award on the salary scales for the Postal Clerical Officers.

It is true that the Government is not able to implement the award of the Tribunal in respect of In-charge and Operational allowances. Under normal circumstances, the Government would abide by the award of an Arbitration Tribunal as it has done in the past. However, in this particular case, the Arbitration Tribunal has made an award which is in excess of what the Union itself has asked which, if accepted by Government, would have extremely serious consequences on the finances of the country. In these circumstances, Government is forced to the conclusion that the award of the Arbitration Tribunal as it stands cannot be implemented.

This House will no doubt note that the Tribunal agreed with the Government that there should be no distinct and separate salary scale for the Postal Clerical Service. In respect of the In-charge allowances payable to clerks who are in charge of post offices, the Tribunal extended the scope for the payment of this allowance to all classes of post offices whilst Government agreed to pay the allowances only to classes VII, VI and V. With regard to the Operational Allowance, the Tribunal also extended the scope for the payment of this allowance to include Assistant Superintendents in Division III of the Postal Service and at the same time awarded a variable rate instead of a fixed rate as offered by Government.

In effect the award made by the Tribunal gives an overall increase in the take-home pay of a postal clerk in the Operational or Traffic arm of the Postal Service by approximately 30 per cent more than his colleague in the administrative arm. The high increase proposed for this category of employees will inevitably create an imbalance within the Postal Service itself. Although the Union and the Staff Side of the National Whitley Council have given an undertaking that the officers in the administrative arm in the Postal Department will not claim for similar increases if the award of the Tribunal were to be accepted by Government,

it cannot be denied that an imbalance within the Postal Service itself is not a desirable feature.

If one section of clerical workers, whatever their specialised duties may be, are awarded overall emoluments that will make them very much better off than their colleagues in other comparable services, repercussions are bound to follow, as the structure of the Public Service is based on certain key scales and the maintenance of relativities between them. It has been estimated that by implementing the award of the Tribunal in toto, it will mean that this particular grade of employees will be given increases averaging approximately 27 per cent of their overall emoluments. Such a percentage increase in emoluments given to one grade of employees will obviously generate dissatisfaction and have widespread repercussions.

The cost of applying a similar percentage increase in pay to the other sectors of the Public Service will be intolerable. This is clear when it is noted that personal emoluments provided in the 1965 Federal Estimates total $492 million. This does not include the emoluments payable to teachers under the Unified Teaching Service and to employees in the Industrial and Manual Group. A 27 per cent increase applied even to the $492 million provision means an additional Federal Government commitment of $133 million per annum. It is obvious that if the Government is to meet these enormous additional increases in personal emoluments, then drastic taxation measures will have to be imposed.

The House should note that the yield in 1965 which will be derived from all the tax changes in the recent Budget Session of Parliament is estimated at $110 million. It is clear, therefore, that further taxation measures will have to be imposed if a similar percentage increase is given to the Public Service. I am sure this House will agree with me that the country is in no position to bear a further burden of increased taxation at this juncture.

I should like to assure the House that Government fully considered the serious implications of not implementing in toto the award of the Tribunal. The fact that Government has not been able to accept the award should not be implied that it has ignored its responsibilities to its employees, but should be taken as an indication of its high sense of duty and responsibility to the nation as a whole.

I would like once again to reaffirm the Government's confidence in the National Whitley Council machinery and its faith in the

principle of arbitration as a means of settling differences between Government and its employees. In accordance with this belief, the Government has agreed to accept the award in so far as the structure is concerned, but, for the reasons I have stated earlier, it cannot accept the quantum awarded by the Tribunal. However, Government is prepared to honour the award in so far as the structure is concerned.

After giving details of salary scale, In-charge allowance and Operational allowance Tun Razak said :

This latest offer of Government will cost in the region of $490,000.00 per annum.

The Hon'ble Member for Batu views with grave concern the non-acceptance of the award of the Tribunal by the Government and expresses a keen desire to preserve the good name of Malaysia and its people. The Government is not unmindful of its duties and its desires even more keenly to maintain the good name of Malaysia. It is for this very reason that the Government took the stand that it has taken on the award of the Tribunal. It wishes to ensure that the finances of the country are maintained in a good state. In the final analysis the national interest must be the over-riding consideration in deciding whether Government can accept any recommendation or award for the revision of salary scales of the public services.

The Government has done everything possible to meet the claim of the Union of Post Office Workers. It has accepted the award of the Tribunal in respect of the salary scale and the principles of the award. It has offered a revised scale for the special or operational allowance and the incharge allowances as a step towards implementing in part the award of the Tribunal. It cannot, therefore, be said that Government has rejected in toto the award of the Tribunal. The motion standing in the name of the Hon'ble Member for Batu must therefore be rejected.

The Prime Minister and myself and other Ministers have had meetings with the Staff Side explaining to them the serious repercussions through the implementation of this award not only on the industrial sector and the Postal Service but on the Public Service as a whole. I appealed to them in view of the State of Emergency and the difficult finances of the country, they should accept the latest Government offer.

NATIONAL AND RURAL DEVELOPMENT



The nerve-centre of Malaysia's national and rural development is the National Development Operations Room in Kuala Lumpur. Here discussions are held at regular intervals. Picture shows Planning discussion in progress led by Tun Abdul Razak, seated fourth from right. There are similar Operations Rooms in all States and Districts.



Tun Razak declaring open the fourth seminar on National Development held at Dewan Tunku Abdul Rahman, Kuala Lumpur, on 21st October, 1968. This seminar was sponsored by the Malaysian Centre for Development Studies. In this picture on right of the Tun is Tan Sri Tengku Mohamed bin Tengku Besar Burhanuddin, Chairman of the Directing and Co-ordinating Committee of the Malaysian Centre for Development Studies. On left is Enche' Wan Sidik bin Wan Abdul Rahman, Director of the Centre.

THE STRATEGY FOR ACTION

GIVES ALL A SENSE OF PARTICIPATION

At the official opening of the fourth International Seminar on Development in Kuala Lumpur on 21st October, 1968, Tun Abdul Razak explained the unique system adopted by Malaysia which enables the Government to be in complete control of the Development progress. In the course of his remarks he said, "Our system gives everybody a sense of participation". His speech follows:

While at this very moment there is in session an international gathering representing the policy-makers of the world, that is the United Nations General Assembly in New York, we have here this afternoon another type of international gathering, this gathering of development implementors.

The diplomats gathered in New York chart and debate the destiny of the world towards a more peaceful and better world. However, I firmly believe that such an objective cannot be realised without the addition of the driving force generated by the implementors.

That is why we in Malaysia attach so much importance to international seminars of this nature because you all here today are the implementors.

Gentlemen, we in Malaysia feel proud that during the past 11 years of our independence we have made successful strides towards the fulfilment of our objective of achieving stable economic growth within the evolutionary process of nation-building.

However, our path towards progress has not been all that simple or easy. Malaysia became an independent and sovereign nation after a long drawn-out Emergency against Communist terrorists and we were faced with the enormous and immediate task of rebuilding our country which had suffered from the destructive forces of war.

We not only needed action but also quick results. We had to prove to our people that the democratic process combined with

dynamic development not only respond to their felt needs but also lead them out of the darkness and despair towards a better world.

The approach in such a task as this required a plan of action. We had to establish a set of goals, both political and economic, which required the mobilisation of all our resources, natural, financial and human.

Having defined our policies the major task was implementation. It meant the establishment of a system by which immediate action could be taken with the result of not only being tangibly seen by our people but also have an immediate impact on our economy.

We had to evolve a system to enable the Government to shed old-fashioned, outdated ideas and substitute them with an entirely new and practical approach.

I am happy to say that we in Malaysia have been able to effect such a system suitable to her needs. We call it the Operations Room System.

This System permits the Government, that is myself and my Cabinet colleagues, to be kept fully abreast of development progress and to be in a position to eradicate delays and to ensure that the entire development effort is geared to achieving results. The virtue of this system is that it enables Government leadership to be in complete control of the situation and at the same time the administrators are kept on their toes and on top of their jobs so that a high standard of co-ordination is maintained.

During the Seminar and in your discussions on the development techniques and also in your field visits to the various development projects undertaken by this country, you will be able to see for yourself in tangible form the results which have been achieved through our methods.

However, the world is saturated with systems. We all know that no system in the world will work without the spark of leadership—not only the leadership at the highest level of Government but leadership that permeates right down the line.

We believe that our system gives everybody a sense of participation. The life and blood of the system lie not in the forms, on the maps, nor on the boards, but in the inter-flow of human communication through the various layers of leadership within the development process.

It also gives, at all levels, a sense of commitment to our national objectives. It brings the Government closer to the people;



Tun Abdul Razak briefing Dr Luns, the Foreign Minister of the Netherlands (seated third from right) when he visited the National Development Operations Room in Kuala Lumpur, on 9th July, 1968. On extreme left is Mr Manickavasagam, the Minister of Labour. On the wall are maps and charts indicating the progress of development projects throughout Malaysia.

it brings the people closer to the government, and thus enables the harnessing of all our energies, political, professional, technical, administrative, in both the public and private sectors—and even more important, the harnessing of the energy of every Malaysian in all walks of life into working towards the achievement of our economic aims and the progress of our nation.

Gentlemen, I understand that some of the topics that will be discussed in the course of the Seminar will be those related to *Agricultural Development*—with particular emphasis on the *acceleration and diversification of agriculture.*

This is of vital importance to all of us in this part of the world where agriculture is our mainstay.

Agriculture is more than just a way of life. It is a major industry, an industry as important as that of steel, petroleum and other heavy industries.

In Malaysia, our agricultural industry at the present moment continues to form a vital part of our economic life, particularly at the time when the population explosion is upon us, and when a major proportion of the population of the developing world is afflicted by hunger.

Therefore, Gentlemen, during your deliberations when you have the opportunity of looking at the problems of agriculture from close quarters, you will be exploring the various possible and practical methods of implementing our agricultural policies so that your discussions, deliberations and exchange of experiences may generate new ideas which will benefit all of us.

We in Malaysia have taken several major steps towards modernising our agriculture and accelerating our agricultural development. We have invested millions of dollars in establishing and improving our irrigations systems, millions of dollars on the construction of a national network of agricultural access roads, and millions of dollars in converting our jungle into productive agricultural lands.

We have made great strides during the past 8 years in improving other agricultural facilities which are essential for agricultural development. In fact in the current Development Plan we are devoting no less than 24% of the total allocation or 4,550 million dollars of public development expenditure towards the increase in our agricultural output.

At the same time every encouragement is given to the private sector of our economy to take an active part in this great venture.

I need not worry you with the detailed break-down of our agricultural development programme but I would like to specify the aims of our agricultural planning and implementation. These fall into separate and definite categories.

Firstly, in the field of agricultural education, our aim is to increase the quantity and enhance the quality of agricultural educationists, researchers, and extension workers, so as to expand

the number of skilled farmers, and improve the skills of all individual members of the agricultural community.

Secondly, in the field of research, our aim is to support, on an intensive and continuing basis, research on agricultural, forestry, fisheries, and livestock products so as to break presently known yield barriers, and develop improved patterns of production, processing and marketing that will utilise most economically the human, land and water resources of our country.

Thirdly, in the field of production and diversification, it is our aim to stimulate our agricultural community to adopt improved practices and patterns of production over as much of the present and future cultivated area of the economy as possible, and encourage diversification.

In order to give our rapidly growing rural population greater opportunities of employment and a better way of life, our aim is to increase the acreage under cultivation in the country.

In addition to all this we are taking active steps to correct existing institutional shortcomings in the fields of land tenure, credit, the processing of agricultural commodities and marketing so as to enable our agricultural community to have access at reasonable cost to the means of production and be adequately rewarded for their efforts.

Furthermore, even while this Seminar is in progress, action is well under way towards the establishment of yet another boosting charge for our agricultural programme, the setting up of an independent research organisation, to be known as the Malaysian Agricultural Research and Development Institute (MARDI) which will enhance further our already existing research facilities.

MARDI, when established, will carry out scientific research for the agricultural industry of the whole country. It will disseminate the extension results of such research to the industry, both large and smallholdings.

In addition, its activities will add considerable force to our existing extension programmes in the field of agriculture by the effective dissemination of research results not only to the small and large holdings, but to the agricultural industry as a whole.

Gentlemen, the research functions of MARDI will not only be restricted to research on production, but will extend to research on processing and utilisation of our agricultural products.

Gentlemen, let me take you back with me in my thoughts to the day here in my country, when we won our *battle* against militant Communism, and launched a new *battle*, the *battle* against poverty, the *battle* for progress, fighting for the future of our Malaysian people.

In those days we realised that the first pre-requisite for development had to be a framework and climate of political stability. This, I think, is true for all development countries, and I think with modesty, we in Malaysia, have gone a long way to achieve this.

However, in this modern world of inter-dependence, there emerges a new dimension to development, a new factor necessary for development, and that factor is this: that *no* country anywhere in the world can develop in isolation, because by virtue of this inter-dependence; by virtue of the necessity to develop "*inter-nation*" harmony, the aspirations of any individual developing nation, such as ours, will not be fulfilled *unless* there is stability in the region to which we are a part.

As I have said earlier, the *essential* ingredient of development success is *complete* co-ordination between the various component parts of the development machinery. That is not enough. What is required in this day and age is a similar system of co-ordination and co-operation not restricted to the confines of any nation, but extending even further with the same spirit of co-ordination and commitment, which embraces all nations within the region whose aim, like ours, is to aspire to better progress for their people.

We strongly believe in, and subscribe to the principle not only of inter-dependence but also to the concept of "*inter-nation*" co-ordination. We subscribe firmly to the ideals of regional co-operation. Our active participation and support for ASEAN, ASPAC and other regional Associations is true testimony to our conviction and our committal to this ideal that binds our nations together in the interest of our people.

This distinguished gathering today is in effect a practical step towards the achievement of this ideal. I hope that the results of the pooling and exchange of ideas and experiences in this Seminar will further accelerate and strengthen the various steps we take towards the achievement of our common goal.

Gentlemen, on this note I declare this Seminar open.

THE THREE FOUNDATION STONES

ACCELERATED DEVELOPMENT IN MANUFACTURING ACTIVITY

The development of industrial estates at Batu Tiga, near Kuala Lumpur, was described by Tun Abdul Razak as a step in the right direction of unity of big and small enterprises going ahead hand in hand with one common purpose. He was speaking at the official opening of Malaysian Industrial Estates Sendirian Berhad at Batu Tiga on 10th September, 1968.

Driving down here this morning to this Industrial Area called Batu Tiga, it occurred to me that there is a definite relationship between Batu Tiga and Tiga Batu, because our present Malaysia Development Plan is really based on Tiga Batu:

Tiga Batu Asas—the 3 Foundation Stones which have formed the firm base of the development of our nation—

- *the first base, an acceleration of agricultural activity and agricultural diversification;*
- *the second base, an acceleration of the exploitation of our natural resources such as minerals, timber, etc.;*
- *the third, and equally important base, the promotion of an accelerated development in manufacturing activity and industry.*

These are the main basic sectors in our economic development that my government has been actively concerned in stimulating and developing to the maximum, both to achieve economic stability for our nation and to obtain a higher standard of living for our people.

Recently, we celebrated, in a modest way, our eleventh year of Independence. Although our celebrations were modest, there is no reason why we should not combine modesty with pride when we take stock of the distance we have travelled as a nation in that short period of eleven years.

We have moved towards a new form of prosperity based on the Tiga Batu Aras of our Plan—a prosperity which was unknown to us in the days, not so long ago, when this very area, Batu

Tiga, which we see so prosperous was in fact infested with Communist terrorists who were determined to destroy both our people and our prosperity.

Ladies and Gentlemen, public memory is short, and the public tend to forget that we started our life as an independent nation not on the task of Development, but on the task of ridding our country from the threats of militant Communism. We succeeded in that battle not merely by guns and bullets, but by developing a sense of national unity against our then national enemy.

Let us take a lesson from those days, and let us re-develop this sense of unity in the field of Development and in the field of commerce and industry, because it is only by intensifying this united approach of going forward together to greater progress that we will be able to fulfil our national aims.

Only the other day I gave a key-note address to our Second Congress Economy Bumiputra.

I stressed that to achieve success in all aspects of our Development, we must always view our national development not from one isolated sector, but rather from the standpoint of integrating the overall mosaic of our development programme towards aims in which we all have a part to play.

This requires right attitudes on the part of all of us—an attitude of balance—an understanding of our overall plans and a clear picture of our particular part to be played within those plans, and a sincere sense of unity on our endeavours.

This is the spirit that will really make Malaysia!

Evidence of this spirit is the fact that today MIEL have made available factory-units for small entrepreneurs and ten units for Bumiputra entrepreneurs in Petaling Jaya.

This shows a definite step in the right direction of unity of big and small enterprises going ahead hand in hand with one common purpose.

I congratulate you, the Chairman and Board of MIEL for your far-sightedness. By right, really I should congratulate the MIDF first, being the parent body with MIEL as its son or subsidiary!

MIDF was set up in 1960 with the full support of the Malaysian Government as a national development financing institution in the private sector, and has achieved considerable success in contributing to the development of Malaysia.

I understand that it has approved over 80 million dollars on loans on 200 projects, both large and small, throughout the industrial sector of our economy—this is indeed a significant achievement for any Malaysian company, and this investment has in turn stimulated further investment of over 300 million dollars in turn creating jobs for more than 12,000 workers.

Furthermore, MIDF have played a considerable part in floating and under-writing 95 million dollars worth of shares on the Malaysian Stock Exchange. I congratulate the Chairman and members of the Board, because you have already established an excellent reputation as a sound and progressive long-term financing institution in Malaysia.

One aspect that makes me very pleased with the activities of the MIDF is that it has taken measures to correct imbalances in the private sector and I am glad to note that since 1964, more than 75 per cent of MIDF loans, in terms of number, have gone to small enterpreneurs with business assets ranging between 50,000 to 250,000 dollars.

Perhaps MIDF's greatest contribution to small-scale industry was the establishment in 1964 of a wholly-owned subsidiary, Malaysian Industrial Estates Sendirian Berhad (M.I.E.L.) to develop industrial sites and build modern standard factories for small enterprises, a venture never before attempted in our country.

MIEL's pioneering success in this field has already prompted enquiries from several developing countries anxious to absorb the techniques of developing much needed, modern, small factories at prices within the reach of the small businessmen.

Here at Kawasan MIEL today, I am privileged to open the third project undertaken by MIEL, the first at Mak Mandin, Penang, the second at Petaling Jaya.

With the setting up of 70 standard factory units in three different industrial locations to its credit, MIEL has clearly come of age. It has now the necessary experience and expertise to set up several more estates of small "fully serviced" factories catering for the specific needs of small-industry in particular areas.

I understand that another 17 units will be provided here on an adjacent site by May next year. At the same time, MIEL expects to build two other industrial estates, one in Johore and the other in Malacca. And plans are well advanced to construct a third in East Malaysia, and a fourth on the East Coast as soon as possible. To do all this, MIEL will need more than double the capital at its disposal, but this capital, can, I am sure, be readily supplied by its parent company, MIDF!

I wish them every success in their expansion programme.

However, Ladies and Gentlemen, the provision of finance facilities and the provision of industrial sites for small industries do not in themselves alone constitute a successful industrialisation programme for the development of small industries.

The third and even more important ingredient for success is the quality of management with which the industry is run by the small entrepreneur.

I sincerely hope that these businessmen who are taking advantage of the facilities offered by MIEL will remember that success in any business venture is not automatic. The nation as a whole has an interest in the success of each and every manufacturing industry because the more we can produce, the less we need to import, and the more we can export, the more economically stable our nation will become.

I hope, therefore, that those of you who are clients of MIEL and setting up new industries in this estate, will, from time to time, take stock of the way your business is running, and do everything you can to ensure good management, a high tempo of output and a high standard of product.

There already exists in both the public and private sector facilities which small entrepreneurs can gain considerable advantages from such as the National Productivity Centre, which was set up with the aim of raising the standard of management, improving the efficiency of industrial operations, sales and marketing. It was set up by Government with the express purpose of helping you. Make use of it.

MARA also has now considerable facilities for both training and management and in giving advice to those who need it.

Also, in the private sector there exists an Institute of Management which, from time to time, runs excellent courses on the teaching of managerial skills and other such skills as are essential for the running of an efficient business.

Finally, Ladies and Gentlemen, I would like not only to wish the MIEL the best of luck in its further expansion Programme, but I would like to express my sincere hope that those of you who have recently set up industries in this new Kawasan MIEL will meet with success in your ventures and be able to contribute to the industrial productivity of our Nation. Thank you.

THE MALAYSIAN SCENE TODAY

A DECADE OF DEVELOPMENT AND OUR ACHIEVEMENTS

Some of the aspects of the outstanding achievements in national and rural development were reviewed by Tun Abdul Razak in a Malaysia Day radio broadcast on 31st August, 1968. In the course of his talk, covering a decade of development the Tun appealed to "all Malaysians to re-dedicate themselves to the task of developing our country into a happy and prosperous land for ourselves and our children."

On the eve of Malaysia Day, I would like this evening to review some aspects of the impressive economic progress which has taken place in Malaysia since Independence was achieved in 1957. What is the general picture that you see? May be you are so accustomed to the scene, that you do not pause to reflect. So let me put the question differently. What is the general picture that a visitor to Malaysia sees?

He may fly into Kuala Lumpur, the capital city of Malaysia, on a modern airline. This might be the Malaysia-Singapore Airline, a major part of whose share capital has been provided by the Malaysian Government. His plane lands at Subang Airport, one of the largest and certainly the most modern airport in the region. From there he will be taken by a Mercedes Benz taxi over a dual carriage, four-lane highway to the city. On the way

he will see newly planted oil palm estates, well maintained rubber estates, tin mines with ship-like dredges, a busy railway line and a modern highway linking the bustling port of Swettenham with the capital city and its suburbs.

His car will take him through Petaling Jaya, a fast growing modern suburb of Kuala Lumpur, developed almost entirely after Independence. Here he will see factories producing acid for rubber making, construction materials such as cement pipes and roofing tiles, paints, motor cars and scooters, tyres, soap and margarine, household and office furniture, soft drinks, beer, condensed milk, metal boxes and a wide range of other consumer goods. He will see houses of modern design stretching from the highway to the surrounding hillside.

Houses of worship for Muslims, Buddhists and Christians living in the suburb will also attract his attention, as will the impressive new Government buildings, a huge teaching hospital, a fast growing modern University campus and brand new commercial houses.

Following or passing his taxi will be vehicles from Japan, Australia, Italy, France, West Germany, the United Kingdom and the United States. He will pass shops and department stores stacked with goods from all over the world and eating places selling Malay, Indian, Chinese and European food. And on arrival at his hotel, he will be taken to an air-conditioned room. In other words, this trip from the Subang International Airport to the Hotel will have shown him a sample of the economic progress that we have achieved in Malaysia.

But this, of course, is only part of the scene. Our visitor may go to the rural areas as well.

From one of the main highways passing through Kuala Lumpur, he will take a secondary road built recently and to a high standard. On both sides of the road, will be estates and smallholdings. If it is a rubber area, the trees will have been recently replanted with high-yielding clonal seedlings. Similarly, if it is a coconut area, he will see rehabilitation and replanting programmes under-way. If he happens to pass a rice growing area and stops to speak to the farmer harvesting the crop, he may be told that this is the second harvest. This second crop means extra income for the farmer and has been made possible by drainage and irrigation

schemes recently put in, the fertilizer which Government programmes have enabled him to obtain at subsidized prices and the advice received from extension officers of the Government.

As the visitor proceeds into any of the villages along the way, he will witness the impressive developments which have occurred since Independence to improve the lot of farmers and their families. He will see a new school, and he will see healthy and well-nourished people—the result of economic progress and the extension of modern health services into the rural areas. These programmes have largely freed the people from debilitating disease and have given Malaysians one of the highest life-expectancies in the developing world.

He may also come upon a concentrated area of development in the centre of which lies a compact village. This would be one of the more than 70 Federal Land Development Authority schemes that have been established since Independence. Or he might be surprised to notice a gathering of Government officials and village representatives in serious discussion in a community hall. This would be a village development committee. Here the economic and social problems of the area are being discussed and plans formulated for overcoming these problems and enhancing the productivity and welfare of all the people in the village.

If our visitor had been to these rural areas some 10 years ago, he could not help but be impressed by the dramatic changes that have taken place since then. At other times and perhaps in other places such changes would have been achieved more slowly—if at all. That they have taken place in Malaysia in the space of only 10 years is testimony to the results of the new silent revolution which was initiated with Independence.

If you were to ask an economist for a summary measure of this progress and of the current state of the economy, he would use the *per capita* income level or the average income of all Malaysians as an approximate measure. At present, this is just above US$300 per person. This is indeed a high level by the standards of developing countries. In Asia, it is second only to Japan, excluding of course the city states of Hong Kong and Singapore.

The total income or gross national product, is over $10 million, having grown by about 6% annually over the past 11 years. As population has increased by 3.0% per year, *per capita* income has expanded by about 3% per year.

This relatively high income level and the sustained nature of its growth has been due to a significant extent to the growth of Malaysia's traditional industries namely rubber and tin. At the same time, new economic activities have emerged which have not only contributed to growth but have also served to strengthen and broaden the base of our economy.

In the field of agriculture, oil palm and timber have become important partners to rubber as Malaysia's principal export commodities. Since 1957, the production of palm oil has increased fourfold; as a result, we are now the world's largest exporter of this product.

During the same period timber output has about trebled. Our exports of logs and sawn timber have now overtaken iron ore as the nation's third largest foreign exchange earner. The production of rice, our staple food, has kept up with the very rapid rate of population growth. At this very moment, two large drainage and irrigation schemes are being implemented. When completed during 1970-71 they will enable double cropping of rice over some 300,000 acres of land. As a result of this and other efforts, West Malaysia will become self-sufficient in its rice requirements before the mid-seventies.

A major innovation of development planning in Malaysia is the FLDA programme. This has gone a long way toward increasing the opportunities of our rural people for a better way of life. Designed to give land to the landless and to provide them with an income commensurate with their effort, the work of the FLDA has already resulted in some 250,000 acres being developed and some 14,200 families being settled on 5,000 to 20,000 acre schemes. We are very encouraged by the success of this programme, and derive considerable satisfaction from the comments made by the Asian Development Bank in its recent Asian Agricultural Survey. In this survey, it is quoted that our efforts stand as a model of a well-conceived and well executed land development programme.

In the industrial field, progress has been similarly good. Manufacturing production has grown by about 10% per year in the last 11 years. As a result, we find ourselves in the group of developing countries which have experienced the most rapid rates of industrial growth in the recent past. Four-fifths of the developing world experienced rates of industrial growth less than 10% per annum since the end of the Second World War. What were

the elements of our progress in this field? From 1960 to 1967, cigarette production increased by 66%, biscuits trebled, sawn timber rose by 70% while veneer and plywood expanded by not less than 1000%.

Output of soap and rubber products also expanded rapidly. Petroleum refineries and cement plants were established and in 1967, a steel mill and automobile assembly plants came into operation. In many of these products, Malaysia has not only become self-sufficient but has also begun to export.

In support of all these increases in production, there has similarly been a rapid development of our physical and human infrastructure. Road mileage has been extended by over 80% over the whole of Malaysia and port capacity almost doubled. In education, enrolments at the primary level rose by 35% and at secondary level it increased nearly five-fold. And in 1967, the student population at the University of Malaya reached over 5,000 compared with only 323 students at its inception.

As rapid agricultural and industrial development will greatly increase the demand for skilled workers, Government is doing everything possible to ensure that the supply remains adequate. In addition to the numerous on-the-job training schemes in the private and public sectors, the vocational school enrolments have risen from 500 in 1965 to 1,000 at present; the intake of students into the College of Agriculture has quadrupled; enrolments at the MARA Institute of Technology will have grown from nothing in the past to 4,000 by 1970; the Technical College is being expanded; a polytechnic is now being established at Ipoh and the new Tunku Abdul Rahman College will soon be established with a heavy technical bias.

This then is a capsule summary of what has been achieved—11 years of economic growth with continued financial and monetary stability. Our cost of living has been stable while the Malaysian dollar is as strong as ever. In fact, since 1966, the Malaysian dollar has lost less than half a per cent of its purchasing power.

In the same period the US dollar lost purchasing at the rate of 1.8%. In addition, the Malaysian dollar is the first Asian currency to be used by the International Monetary Fund as one of its "loan" currencies.

Indeed, the nation can take pride and credit for these achievements. All the more so, as all this was achieved despite the disrupting effects of the Communist insurgency in the early part of the period, the threat of external aggression from 1963-1966, the separation of Singapore from Malaysia, and more recently, the withdrawal of British military forces from Malaysia.

Still we cannot and must not remain complacent. We must strive for sustained economic and social progress to meet the rising expectations of our fast growing population and to bridge the gap between the "haves" and "have-nots". In this task, everyone of us has a role to play—politicians, civil servants, members of our armed forces, private entrepreneurs, our farmers and industrialists and the man-on-the-street. We tackled armed Communist insurrection successfully a decade ago. We must fight the battle for development—the battle against poverty—with the same seriousness of purpose.

So far the foundations of our economic progress have been the growth of our rubber and tin industries. But we can no longer depend on these two industries alone to provide our growing population with good jobs and adequate incomes. We have to continue to accelerate the development of new activities through agricultural diversification and industrialization. And this indeed is our battle strategy—our basic development strategy.

I can say with confidence that we shall overcome. We shall continue to advance in our quest of sustained economic and social progress, for Malaysia has the necessary instruments. Like most developing countries, we have a large reservoir of unemployed and underemployed labour. Unlike most of them, however, Malaysia possesses a substantial amount of virgin land, readily accessible and of high fertility. The potential for agricultural development is therefore enormous. It is just as great for industrial development, particularly through the development of raw material based industries—such as the rubber, wood and food product industries.

In addition to these impressive elements of strength, we possess an efficient and well-developed economic infrastructure in transportation, communications and power; a demonstrated capacity in the public sector to carry out development projects with effectiveness; and, an abundance of entrepreneurial capacity in the private sector.

Given our determination and capacity to work hard and to do better, we can look to the future with confidence. My Government has been priviledged to have been given the opportunity to provide the lead. As we celebrate the eleventh year of Merdeka, we rededicate ourselves to this mission and invite all Malaysians in every walk of life similarly to rededicate themselves to this task of developing our country into a happy and prosperous land for ourselves and our children.

THE FRUITS OF RESEARCH

GREAT STRIDES IN PRODUCTION AND PROCESSING OF RUBBER

The growing importance and the vital role of research and development in the field of natural rubber were stressed by Tun Abdul Razak at the opening of the Second International Conference on Natural Rubber at the Dewan Tunku Abdul Rahman in Kuala Lumpur on 29th August, 1968. More than 500 scientists including 200 from overseas attended the conference.

At this particular phase of the development of the natural rubber industry, when so much has been said and written about its problems and prospects, I consider it opportune, refreshing, and decidedly reassuring that you the scientists and technologists from so many countries who have for so many years worked so closely in this field of natural rubber research should decide to get together to take counsel and hold discussions on your research covering a wide range of subjects connected with natural rubber.

To my mind this conference provides a good opportunity for you to examine the many promising developments that have taken place as a result of your researches in the natural rubber industry and also the challenges posed by its competitor, the synthetic rubber industry, so that you can make an objective assessment of the innate strength of the natural rubber industry which, in turn, will assist in mapping out the strategy for future development and your research. We, therefore, look forward with keen interest to your findings and deliberations which, I am sure, will be fruitful and useful.

I need hardly emphasise the paramount importance which Malaysia attaches to all the aspects of research carried out to increase the output and quality of natural rubber. We have a great stake in the natural rubber industry.

About a total of 4.9 million acres or some 60 per cent of the total cultivated land area in the country is under rubber cultivation. The investment in this industry runs into some hundred million dollars and accounts for a significant percentage of total investment in Malaysia. Notwithstanding progress in agricultural and industrial diversification in recent years, about a third of the total labour force still depends for employment in this industry. Around 20 per cent of the gross domestic product is accounted for by the rubber industry.

In 1966, the export earnings from the rubber industry represented 38 per cent of the total export earnings. In terms of government revenue, the rubber industry continues to make an important contribution, both in income tax and export duties. The measure of our dependence on rubber industry is therefore clear and very great.

It is on account of this dependence and more directly the vast benefits that Malaysia has derived from research in natural rubber that this country owes a great debt of gratitude to you and the many other scientists in this field who are not able to be here with us.

Talking as a layman to a group of scientists, there is perhaps no need for me to expand on the very substantial value of your research work to the rubber industry. It is suffice to say that the great and continuing advances that have been made in the tree yield, in efficiency in terms of field practices of planting and tapping and, more recently, the big steps forward that have been taken in consumer oriented research in processing to present our rubber to best advantage, all testify to the extent and wide range of the fruits and achievement of research.

Malaysia, as I said, has taken advantage of this research to strengthen the economic viability of her rubber industry. Without these researches the rubber industry could not have hoped to enjoy the pre-eminent position that it has in the economy of Malaysia today and, no doubt, in the years to come. But, at the same time, there is little doubt that the present state of the rubber

industry has been brought about by the conscious efforts made by the industry and the government to transfer the new technology and research to the ground.

In this process, Malaysia as an emerging developing country has to meet some problems and I would like to refer them to you this morning because they have a relevance not only to other developing countries in their efforts to modernise the natural rubber industry but, in general, to any effort of modernising the agricultural sector of the economy. In this respect, I am glad that Dr Bateman in his introductory remark has pointed to two important factors, namely, small-holders' involvement in the rubber industry and the readiness of the industry to finance its own research and promotion efforts.

The smallholders sector accounts for over 50 per cent of the total acreage under rubber cultivation and with its output of 400,000 tons per year, that is about two-fifths of the total production, it has been found essential to get the full participation of the smallholders in modernising the entire rubber industry. This, of course, has posed a host of problems. How do you persuade this smallholder to replant with high-yielding clones when the decision itself involves cutting his present source of income and tightening his belt in the expectation that after about five to six years he can expect to increase the yield of his newly replanted trees. This problem is accentuated in cases where the only source of cash income is derived from the ageing rubber trees. The estates with their financial reserves have been less exposed to problems of this nature, although it was equally a hard decision for them to invest in replanting when the long-term prospects for natural rubber were uncertain.

The situation called for the formation of a bold and imaginative plan to be introduced to encourage and intensify replanting. The replanting programme, involving both estates and smallholders, which was started in 1953 by the Government and the industry provided the answer. The financial outlay necessary for the replanting has been financed by the industry itself by the levy of the replanting cess. Today, as a result of the research efforts in increasing tree yield brought about by the replanting programme, over 80 per cent of the estate acreage and about 60 per cent of the smallholdings have been replanted. Malaysia, therefore, on its own initiative has made great strides in the application of the fruits of research.

But, apart from replanting, the Government itself has consciously promoted the full application of the science and technology of the rubber industry to some new planting that has been carried out. I refer to the 120,000 odd acres which have been planted under rubber in the Federal Land Development Authority schemes. These schemes have been undertaken as part of our National Development Plan.

The research that you have made possible has given an impetus to our efforts in increasing the income and standard of living of our rural people. Firstly, the revenue contribution from rubber has been partly responsible in providing the where-with-all to finance our overall development programme.

If you were to go to the countryside and see the progress that we have achieved in rural development in terms of the amenities that we have been able to provide and the opportunities that we have been able to generate in increasing their income and standard of living I think, you would gain a new perspective of the value of your work to the economy of Malaysia.

Secondly, and more directly, the increase in income which is realised when high yielding rubber trees become tappable, given reasonable prices, illustrates how your research efforts are tied up with the aspirations of hundreds of thousands of smallholders and estate workers scattered all over the country.

Bearing all this in mind, I think, the Government itself has cause for satisfaction in the success of our replanting and new planting schemes. It has played a useful role in promoting the wide application of the fruits of research. The Government's own rural development programme is also designed to bring the advantages of the new processing methods, again the product of research, to the smallholders. This has been brought about by two main developments.

With the technical assistance of the Rubber Research Institute of Malaya Smallholders Advisory Services and the financing by loans and grants from the Government, over 500 Group Processing Centres have been established to cater specifically for the smallholders by improving the quality of their processed rubber and thereby giving them a higher return.

A second development which is of recent origin but holds even greater promise in increasing the income of the smallholder has

been the establishment of central processing factories. The Rubber Research Institute's Smallholders Advisory Service has been responsible for this extension of the application of research to smallholders. With the successful establishment of the two central factories at Meru and Rantau, the Rubber Research Institute of Malaysia has now shown that smallholders' rubber is capable of being processed by centrally utilising the heveacrumb process. The success of these two factories has encouraged the government to take a decision to set up more of these factories and in fact the Rubber Research Institute Smallholders Advisory Service is busily engaged in promoting the establishment of more of these factories.

Malaysia can, therefore, expect more of smallholders' rubber to be processed and marketted under the Standard Malaysian Rubber Scheme and this in turn would make its contribution to the viability of the entire rubber industry and the income of the rubber smallholders.

The Government fully realises that all these great strides in the production and processing of rubber have been rendered possible by the research activities undertaken by the Malaysian Rubber Fund Board and its dependent research unit, the Rubber Research Institute of Malaya. We are, therefore, particularly grateful to these research organisations and to you all.

In fact, the very success of the efforts in rubber research and the application of this research in both the estates and smallholders' sector have encouraged Government to explore the establishment of another research body—the Malayan Agricultural Research Development Institute—to address itself to research in the problems confronting all other agricultural commodities in this country, apart from rubber and pineapple.

The second feature which illustrates again the readiness of the industry to help itself is the industry itself in financing the research on natural rubber. From the cess of one cent per pound of all rubber exported from the country, as much as two per cent of the gross earning on rubber in Malaysia is currently being made available for research development and extension services. About $21 million a year is thereby raised. This is indeed unique for an emerging developing country and what is even more striking is that the research financed by this way also maintain a research establishment, the Natural Rubber Producers Research Association,

in the United Kingdom to carry out research on new uses of rubber. I am informed that this unit has made tremendous progress in expanding the usage area for natural rubber and it has been able to provide technical assistance to factories in many advanced countries.

Again, by the financing of the rubber research cess Malaysia also provides technical advisory services to consumer countries throughout the world through alternate units of Malayan Rubber Fund Board. It is proposed that these research and development activities will be further enhanced, strengthened and expanded.

The self-help principle which was earlier referred to by Dr Bateman has been a feature of both the country's and the industry's efforts to modernise and rationalise the natural rubber industry. The smallholders, the estates and the country as a whole have shown their abounding and abiding faith that science and technology vigorously applied can sustain a viable industry even in an emerging and developing country so that it is able to face all fair and reasonable competition.

Unfortunately, the natural rubber industry cannot be said to face only competition which can be described as "fair and reasonable". This is really the crucial problem facing the natural rubber industry. Our great and growing concern is that our tremendous efforts dating back many years to help ourselves will be undermined and destroyed by external pressures outside our control. I refer, of course, to the nature of synthetic competition.

All those who have been connected in one way or another with rubber industry would recall events which led to the sudden and swift fall of natural rubber prices in the second half of 1967. This, of course, aroused grave concern in natural rubber producing countries and they attempted at several international meetings to highlight the severe impact on their economies and suggested certain lines for remedial action.

In diagnosing the problem, one factor has stood out as being largely responsible for the decline in prices, and this is the detrimental influence of excess capacity of certain general purposes synthetic. The unreasonable growth of synthetic rubber facilities without due consideration to the overall supply demand position has adversely affected prices for both natural and synthetic products.

In this connection, there is no doubt that there is a price relationship between both natural and synthetic rubbers and in the words of a large synthetic producer himself in addressing the International Synthetic Rubber Producers' meeting in Geneva early this year and I quote—

"There can be no doubt that synthetic rubber is exerting a decisive influence on natural rubber prices. As long as there is an excessive supply of natural and synthetic rubber—and this will be the case during the next few years—the synthetic rubber prices will tend to depress the natural rubber prices and conversely, the reduction of the natural rubber prices will lead to a more rapid dropping in prices of synthetic rubber. "From statistics available, natural rubber cannot be said to be in excess supply. Synthetic rubber on the other hand is acknowledged in such a position."

Apart from the problems brought about by the excess capacity of synthetic rubber, the rubber industry is also faced with competition, which can hardly be described as either fair or reasonable, arising from restricted marketing practices and tariff barriers and other protective measures taken against the natural rubber industry. On many recent occasions Malaysia has referred to the unfair nature of the competition and I do not propose to expound on this theme on this occasion. I would like, however, to reiterate on the basis of our record in helping ourselves to meet the challenge of synthetic rubber competition that Malaysia is not looking for charity.

The natural rubber industry solely operated in developing countries has a right to seek and obtain fair play in its competition with synthetic rubber in the markets of developed countries. This is all that Malaysia seeks.

On the other hand, Malaysia and the other natural rubber producing countries do not want to be forced to the wall by unrestrained competition from the synthetic rubber industry. If this should happen, in my capacity as Minister of National and Rural Development in this country, I can only refer to the dire implications that this would have to the development efforts of natural rubber producing countries and also to the millions of smallholders and estate workers whose very livelihood depends on the industry.

It would also be a pity for yet another reason. There is room for both natural rubber and synthetic rubber to co-exist. In a

world that is becoming increasingly inter-dependent, it is surprising and indeed paradoxical that there should be a wasteful vying of abilities and resources between natural and synthetic rubbers.

Instead of this, I think, it would be profitable for both the natural and synthetic rubber industries to consider and promote how each of these rubbers could play a complementary role. I am, therefore, particularly happy to hear that some aspects of the synthetic rubber industry would be discussed at this Conference. In this context I should think that this gathering of research workers can identify relevant areas for future research so that there are fields of co-operative endeavour between both the natural and synthetic rubber industries.

Before I conclude, I would like once again to pay my warm tributes to your efforts in the field of research in the natural rubber industry which have brought the industry to such a high standard of efficiency and of high quality.

The upsurge of Malaysia is tangible and visible all around us every day, the feeling of forward impetus is part of our daily life. Each and every one of us has an active part to play in giving reality to all our aspirations and efforts, both in the present and in the future.

— Tun Razak in opening the Malaysian Progress Exhibition in Kuala Lumpur on 15th December, 1965.

"A DRIVE FOR GREATER PROGRESS"

TURNING POINT REACHED IN DEVELOPMENT

"A Drive For Greater Progress" was the theme at the National Agricultural Seminar held at MARA Auditorium in Kuala Lumpur on 18th April, 1968. The main problem involved in getting Malaysian agriculture to become a major factor in the modern world was explained at length by Tun Abdul Razak.

As a result of our nation's efforts over the last ten years, we have made a break-through in the development of our country. We have now reached a *turning point*, particularly in the field of Agricultural Development.

This National Agricultural Seminar, ending to-day, marks the beginning of a new phase ushering in a greater awareness on the part of our people and our government, of the magnitude of the task that lies ahead of us.

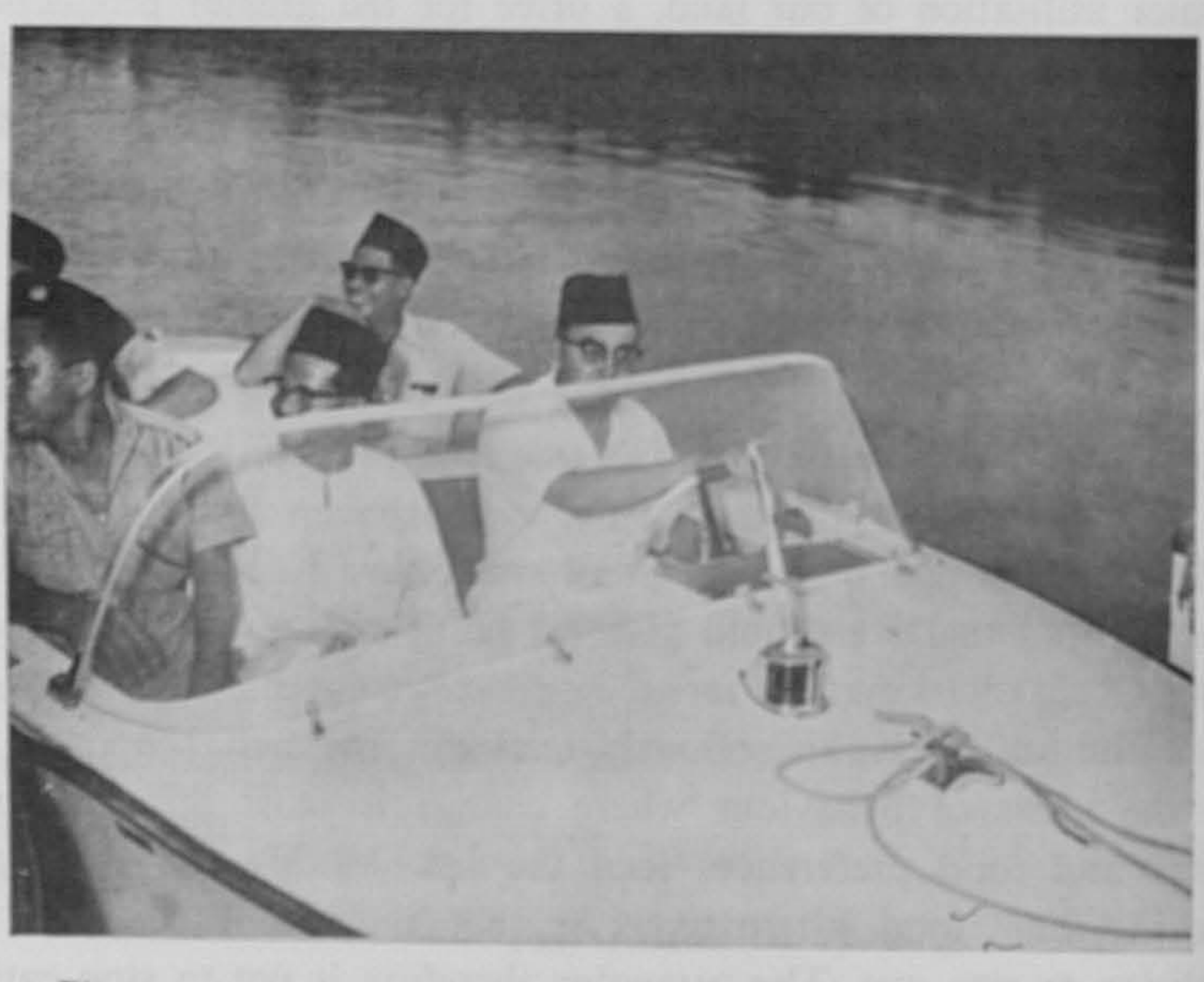
Our present drive for progress must be concentrated to a greater extent on the agricultural sector of our economy, a drive for the greater utilisation of our land, a drive for the greater production of food-stuffs and a drive, not only to satisfy our own needs, but also a drive to take our rightful place in the markets of the world where exists a demand for the very crops we know full-well we can produce.

Let us consider how to get Malaysian agriculture to become a major factor in the modern world. I wish to confine myself to this problem to-day. Let us take the question of rice, the main crop of so many of our farmers. This very problem has been stated time and time again and many solutions have been offered to us. We are told that we should give up eating rice altogether; others propose that we continue to eat rice but change the farmer. None of us in Malaysia can seriously entertain the first proposal. Of all the areas of behaviour where change is most difficult, food tastes and food preferences lead the list. Modify our diet, yes. Provide new food alternatives so that these will be eaten in addition to rice, yes. The campaign therefore is not to stop eating rice, not to substitute rice, but to produce it.

PROGRESS IN PAHANG



The Tun is driving a Euclid TS-7 self-propelled scraper when he inspected the progress of Padang Tengku Road, Kuala Lipis, Pahang, on 15th December, 1961.



Picture shows Tun Razak driving his speed boat during his tour of riverine kampongs along Pahang River to see the development projects on 16th December, 1961.

Rice is so "ingrained" in the psychology of our people that we cannot suggest eliminating it.

It is precisely because it is so important to us that we have a constructive starting point to develop interest and involvement in producing more and better rice, more cheaply and efficiently.

A large sector of our farming is semi-subsistence, but I do not wish to imply that it is simple. It is very complex. And I do not wish to imply that our rice-farmers are simple-minded.

No! The kampong farmer who works on the most rudimentary level of farming has an enormous number of techniques to master and decisions to make. He has to think of soil and weather conditions. He has to select from available rice varieties those which he knows from experience will succeed or fail under certain conditions.

He knows that one paddy variety will do well when there is plenty of water. He knows that others will suffer with too much water. He knows this and much more!

Let us not make the mistake of assuming that we have to think for our farmers! To survive, they have had to think for themselves. There is no doubt in my mind that they are capable of making wise decisions.

But to have our farmers accept the best of available technology, to make intelligent decisions about a modern market and other economic factors, and to participate more fully in the economic and social life of our country—they will have to learn to think differently. They will have to learn to make new kinds of decisions about their farming and way of life.

This is why I asked the question the other day: "what do *we* have to extend" to them? This is why I ask: How fully have *we* thought the problems of getting our agricultural producers to move more rapidly?

We have been intensifying our research efforts to find new varieties producing better yields, better adapted to Malaysian conditions. We have been widening our efforts to determine which other crops lend themselves best to production in Malaysia—not only from the view-point of soils; but also from the view-point of economic advantage and acceptance by our farmers to plant such crops.

It is on this last point that we must focus most of our effort. Crops, after all, whether rice or maize or tapioca—are grown by

our farmers—not by Ministers, Members of Parliament or politicians or even by you!

It is the farmer who does the planting. It is he who must make the major decisions and who does the work. Our task is to provide him with the best available information, show him the best techniques, help make available the necessary necessities like selected seed, fertilizer and insecticide.

Finally, we must take these steps to ensure that he will be able to market his products at a fair price under favourable conditions.

Our drive to increase agricultural production and to get agriculture moving at a faster and more effective rate must focus on the farmer himself. There must be a meeting of minds!

From experience all-over the world, no amount of preaching about the importance of development, no amount of radio talks or leaflets or meetings on development will convince the farmer to change his practices. Why should he?

If I were a paddy planter with an acre of land on which my family depended, I would think twice about changing to a new variety of rice just because a Serdang graduate urged me to. I might try it in a corner of a field—or on a plot of poorer land where the risk is not so great. But I most certainly would not risk the well-being of my family by going all the way.

It would be irresponsible as a parent and family man and as an intelligent farmer.

I might be convinced, but my conviction would have to come from test, in my own mukim, with my fellow-farmers and relatives—and *seeing results* with my eyes. It would have to be on land much like my own—and not on the soil of some experiment station where all modern facilities are available.

Even if I were convinced, I would still have to face the problem of buying fertiliser, insecticide and perhaps even the new seed itself. In other words, being willing to try the new variety would not be enough. I would have to afford it, and all that goes with it.

It is all very well, Gentlemen, for us to talk about purchasable *inputs*, but farmers have to *pay out* for them.

What all this boils down to is the need for a comprehensive programme of agricultural development, embracing all the economic and social factors essential to development—and

involving all those other elements will speed the process. Let me briefly review some of these.

An active agricultural system requires adequate *transportation facilities.*

The results of our development plans speak for themselves. A national net-work of roads is well under way. Many kampongs are no longer in isolation. And even more areas will be opened up, allowing for an influx of necessary agricultural materials and an outflow of farm products.

We must give careful attention to our feeder-road system, re-evaluating priorities in terms of maximum gains. If our farmers are to move ahead, our plans for farm-to-market roads must be effectively carried out. Nevertheless, the general situation to-day can be regarded as good.

Malaysia has taken several major steps towards developing a modern farm technology. Extensive irrigation systems are close to completion. New varieties of paddy have been introduced and farmer response is encouraging. This process takes time and will not occur over-night.

The first tractor-training centres have been opened. Production of some crops is marked by a number of technologically advanced practices. In other words many of our farmers are becoming aware of new alternatives in farm practices. The major problem is to get *all of them* involved.

In getting involved, our farmers must have access to the necessary supplies and equipment and at least for the present, fertilizer and other supplies are equal to the demand. But availability is not enough.

The idea of using fertilizer on paddy fields is still very foreign and it will take time and effort to get our farmers to take advantage of its benefits.

Thus, the *price* of inputs and the question of the stability of the prices of farm products must be considered very carefully and, wherever necessary, appropriate action should be taken.

No amount of available inputs will solve this problem of farmer use. We must provide the incentives for production. These incentives are extra fuel, as it were, to get our farmers moving.

And production incentives cannot be separated from marketing and credit for the farmer. The expanding role of FAMA is one

example of facing up to the marketing problem, but we cannot expect it to do wonders. The marketing of farm products must be the concern of other people as well—agricultural officers, officers in MARA and Ministries like Commerce and Industry.

Our best and most careful thinking will be required here. The record of failures in other countries due to lack of planning and proper implementation is high and we do not intend to repeat this. We must make certain that those connected with agricultural production will work together to improve the marketing system so that our farmers will get fair prices for their out-put. An effective credit and marketing system, however, means not only well-laid plans and programmes. It will require the confidence of our farmers in it; it requires our confidence in our farmers. This is a matter of *mutual obligation.*

We can obtain this confidence with a sound credit programme offering *reasonable rates of interest.* This is essential for development.

Production incentives, credit and an effective marketing system—in other words, an agricultural infrastructure—are meaningless unless our farmers are totally involved, both as individuals on their farms and as members of dynamic farm organizations, concerned with day-to-day and seasonal activities that deal directly with farm problems. Farmers' associations are a healthy step in this direction.

But the growth of farmers' associations and the development of an effective extension service to work with them have been seriously handicapped by a shortage of trained personnel, technically competent to deal with farmers in their terms.

I cannot over-emphasise the seriousness of this problem. It will be with us for some time. You just cannot take too many short-cuts in developing competence. Sending out raw, unskilled extension workers will do more harm than good. It will undermine farmer confidence in government *and in modern technology.*

It is not a matter of extension services alone. After all, you *need something to extend.* We need a corps of trained personnel, fully equipped to carry out basic agricultural research, regional and local testing of their findings, as well as discovering better ways of getting useful findings to our farmers *so that they will use them.*

International research centres are proving their value to Malaysia and the rest of the agricultural world. But make no mistake here. We cannot rely on their work alone.

We need a sound agricultural research institute, oriented to Malaysian problems—asking "What is relevant to Malaysian agriculture?" "What is relevant to Trengganu, to Perak, to Johore?" And it must work in short-range terms as well as long ones. A problem-oriented science does not need decades to make the kind of progress we need here.

We must face up to the immediate problems of manpower shortage, both for research and extension. I include the two here because research findings are meaningless unless they are put to social use.

How are we meeting this particular problem? The first steps for the founding of a Malaysian Agricultural Research and Development Institute have been taken. A national committee has been set up to deal with the questions of integration extension in our rural communities. A special committee to assess the problems of agricultural education has been set up.

We are resolved to see these problems through to their logical conclusion—taking all feasible and appropriate measures to eliminate weaknesses, to strengthen known resources, and to institute those measures necessary to carry out the job of agricultural development.

Gentlemen, I have reviewed those factors which play a major part in the broad mosaic of agricultural development. Each of them is necessary. The picture is incomplete if *any one of them* is missing. We need all of them if we are to achieve what we want for our people and what our people want for themselves and from us.

I am fully convinced that if we really do our part thoroughly and wisely and well, we will see in Malaysia an agricultural sector characterised by self-reliance of our farmers engaged in successful agriculture, confident of the necessary support from a government committed to development.

This takes planning. This means sound action. It cannot take place simultaneously in all sections of the country. After all, there are some areas more suitable for agriculture than others. There are some areas where our physical infrastructure has been more

fully developed. There are some areas where farmers have demonstrated a greater readiness to use modern techniques as well as they can.

There is another side to this coin. Our resources of trained manpower are far from adequate and we cannot afford to dilute this scarce resource. We just cannot do all that we would in all places at the same time.

Even if we were able to do so, it is doubtful that this would be the wisest course.

We must advance on a *two-pronged attack on agriculture*. The first line of advance is a *sustained and comprehensive programme* of agricultural development activities. We will concentrate on agricultural areas where the land and water resources are favourable for rapid and tangible improvement, where the physical infrastructure already permits rapid construction.

This is our first line of advance. Such a programme will not only have visible impact upon the area in a relatively short time, it will have a radiating influence beyond the area itself.

This brings us to the second part of the two-pronged attack—our second line of advance.

We will continue all aims of our Plan in those remaining areas to prepare for concentrated effort. This means building key sectors of the transportation system, improving the land base wherever needed and possible, provided those other social and economic amenities not yet realised. All of the agencies involved in adult education and extension work will require a greater integrated effort, oriented towards preparing these sectors of our rural population for accelerated development.

We will give each area the *special* attention it deserves. The essence of my position should be clear.

The two-pronged attack on agricultural development is:

1. A concentrated and integrated programme designed to meet the needs of more rapid development in areas that are ready for take-off;
2. A programme of continuity in other areas, much along the lines indicated by our national development plan, but directed towards preparing these areas for accelerated agricultural development.

This two-pronged attack will succeed only by a joint effort by government on the one hand and farmers on the other. It means *one single, effective force* moving towards a more responsible agriculture, in which the farmers will be active participants in the economic life of the nation.

What is the difference between a "by-stander" and *a really active participant*?

The by-stander is passive. He waits for something to happen. The active participant makes things happen both by his own efforts and by working with others. He acts positively and makes full use of the resources available to him. He adapts himself to changing needs. He has the determination to exert himself and what is more he has the right and only spirit which I call JAYADIRI.

This spirit of JAYADIRI infused in our people and in our government officers, will be the moving force to propel us towards even greater achievements in development!

A NEW CONCEPT FOR SUCCESS

TEAM-WORK BETWEEN GOVERNMENT OFFICERS AND FARMERS URGED

Delegates attending the National Seminar on Agriculture on 15th April, 1968, in Kuala Lumpur, were told by Tun Abdul Razak that "the time has now come for the nation to move into a more intensified phase of Agricultural Development. The main points of his speech were:

The aim of this seminar is to create a new and more dynamic orientation and deeper understanding of our national economic policies *with particular regard* to Agriculture Development. I hope that as a result of this Seminar, you, as government officers, will be better equipped both individually and as a team to implement our agricultural Development Programme with greater effectiveness and efficiency.

The infrastructure for progress in the industrial and agricultural sectors has already been soundly laid.

The evidence of what has been done in the field of development is apparent with the hundreds of miles of feeder roads, new schools, new health centres, agricultural research stations and the building programme for new agricultural colleges throughout the country.

These and many other projects are well known to all of us. However, as you all know, development moves by phases, and having achieved the major break-through, having laid all the necessary foundations, the time has now come for the nation to move into a more intensified phase of Agricultural Development.

There has been a tendency to regard industry as the "end-all" and "be-all" of Development, and a similar tendency to regard agriculture as something which always lags behind the modern age.

One of the objects of this Seminar is to dispel this tendency and to infuse in all of you the fact that not only here in Malaysia, but throughout the world, agriculture is still the mainstay of Development.

A popular conception is that people in the world to-day must have consumer goods in all shapes and forms and that this is the output of industry.

This is so, but more important is the fact that everyone must consume food; without food the world will not survive.

Our country, Malaysia, *has a great role* to play in the production of future food, not only for our own needs, but for other markets in the world where exist a demand for the very crops we grow!

We have had a setback in the market of our main crop, Rubber. This is not a fault of ours; this is not the fault of our people, or our government. This is just a *world* fact.

Let us not be despondent about it, but rather learn a lesson from it.

We can use this falling price of rubber, and battle with Synthetic, as a challenge to substitute wherever necessary the products of the fertility of our soil—one of the most abundant assets of our nation.

The aim of my Government is an ever adaptable (menyesuaikan) Agricultural sector; responsive to the demands of the world market; sensitive to world prices, and at the same time aggressive in taking advantage of domestic and world food needs!

Our national policy is very clearly defined, that we move forward on a two-pronged thrust along the path of progress—on the one hand to maximise modern industry and on the other hand to develop to its fullest extent the agricultural potential of our nation.

The vitality of our agriculture, as in industry, depends on the use of the most modern techniques.

These have been demonstrated in the case of rubber, oil palm and other plantation crops. The most modern development techniques are used both on estates and FLDA schemes.

The main task that lies immediately before us is to ensure that all these modern techniques that have contributed to the success of production in estates and FLDA schemes be extended to the individual man on his individual land.

My Government has always been aware of the importance of agricultural extension services for the small-holder and a sum of $10.6 million provided for this in our present Development Plan.

It is all very well to speak about extension, but what in fact do we have to extend? How well are we organised to work with our rural population? What new concrete recommendations do we have to offer our farmers?

No, in every case, the wearing-out of a machine is not caused by the *intensity* of the revolutions of its metal parts, failure is caused by *friction*. That is a scientific fact, which is equally applicable to the machine of a motor-car and to the machinery of Government.

Let us, therefore, determine to make sure that departmental friction will never slow up the revolutions of our development machine.

A lot has already been achieved in this direction, but *still* I am not satisfied that each one of you and the many other Agricultural and Land Officers throughout the country have really raised themselves above self and above department.

I remember a quotation of a famous writer which I learned during my school days: "The goal of yesterday will be the starting point of tomorrow."

These words really sum up the object of the Seminar.

Although we have achieved a considerable amount in our last 10 years of development, we must never sit back satisfied but must continuously strive to do more and more and better and better.

The goal of yesterday we have achieved; and in Agricultural Development we are coming to a new starting point.

I have stressed over the last 10 years the necessity for team-work within the framework of development and today to you as Government officers responsible for agricultural development, I want to give you a *new concept* of team-work which I would like to be emphasized in this Seminar and more intensively applied when you return to your respective tasks on the ground.

I would like to see an intensification of team-work between you as Government officers and the farmer on his land.

Let me explain my concept.

In the field of agricultural development, as a nation, we have the choice of moving forward like a bus "*full of passengers*" or we have the choice, a more dynamic choice, of moving forward like a rowing-boat.

Still vivid in my memory is my visit to the Marudi Regatta in Sarawak which is again due to take place in the very near future.

I watched these boats competing with each other with crews of anything from 20 to 30 men, all using their paddles with the *maximum energy* they could put in to the race; and the result of this race was not dependent on *one* individual but dependent on the *combined effort* and energy of every man who was sweating out his energy to give his best towards the *speed* of the boat.

How fully *have we* thought through the problems of getting our agricultural producers to move more rapidly towards these goals which we have stated?

I ask these questions and I will continue to ask questions; we must always ask questions of ourselves and our work.

What I want to see is a much greater and stronger stimulus to our agricultural services from research to extension.

Therefore, it is vital that this Seminar provides the opportunity for a stock-taking of existing agricultural knowledge, our use of existing extension and other technical services and to determine how best to get our farmers to adopt modern recommended practices.

We must give the benefit of the best technical knowledge available to the smallholder, who, after all, plays a large role in Agricultural Development.

This can be done by developing and utilising better communication techniques in reaching our farmers.

This can be done by each and every officer concerned having a clear understanding of his role in the process of agricultural development.

What must be done is to build up and sustain a collective dedication to raise the spirit of action in agricultural development above departmental isolation.

My vision of the development machine of Government, as all of you know, is to turn Government officers, in every single department connected with development into an effective human machine, *all working together, with one heart and one mind,* focussed on *one* single purpose—service to our people and loyalty to achieving our national aim of economic *stability* and progress.

This aim can, and *will* be achieved provided that we dispel once and for all, petty loyalties, petty sensitivities to position, petty inter-departmental jealousies and give all our ability and energy to help our people improve their own output and standard of living, and *thus* increase the total economic production of our country.

Let us compare our development machine with any other modern mechanical machine, including your own motor-cars in

which you came here today. I am no engineer, but I have picked up the rudiments of engineering.

When you get the wheels of a machine revolving at a high speed, it is not the continuous revolutions of mechanical wheels which cause it *to wear out* and become unserviceable.

The race for Agricultural Development is exactly the same as any race at Marudi Regatta.

Every single farmer of our country must pull his weight with knowledge, confidence, self-reliance and energy in order to help speed up the race for the production of foodstuffs and agricultural products from our soil, a race in which Malaysia at this stage of our Development, is deeply involved.

This race *can* and *will* be won. I would like all of you who are concerned with land distribution and agricultural extension services, to regard yourself as *helmsmen* and *coaches* in this agricultural race—to help our farmers win!

The crew of your boat—this agricultural boat—are the farmers of our country!

Your job is to get close to them, to gain their confidence, to impart your knowledge, to persuade and to encourage them to work together with you as a team towards this great national aim of increasing the agricultural products of our country and produce crops, not only sufficient for their own day to day needs, but over and above that, a surplus increase which will make Malaysia a country which can supply the world markets with the fruits of our soil which are so very much in demand today.

This seminar, which I open today, is only the *start* of many more in the future, with the object of *injecting* into the whole structure of Government the spirit of *service before self*—a spirit of dedication with the object, not only of increasing *your* knowledge, but also of increasing your awareness of *your* responsibility to our people.

The machinery of Development in our country to me is like the *batteries* in your motor-cars.

A battery to be efficient, has got to be *recharged* from time to time; otherwise, you will get no *spark* of electricity out of it!

This Seminar is in fact designed to *recharge you* in your responsibilities to the farmers of our country!

But as any mechanic will tell you; after you have recharged a battery, you have to test it to make sure it has been *fully* recharged!

At the end of this Seminar, we will have a get-together session to discuss these very vital subjects that I have just mentioned and I hope that I will find, when we meet again here, that you have all been *re-charged*, and have a new spark in your mind and attitude, the spark of the *real* spirit of our National Development.

A new attitude which you will take back to your *States* and *districts* and use it to the full to ignite, within the agricultural sector of our country, a *flame* of *determination* to get Agriculture Development *really moving* in Malaysia!

THE YEAR OF THE "TRANSPLANT"

THE NEED FOR EXCHANGING IDEAS AND EXPERIENCES

"Development Councils have become the main blood-stream of our development organization . . . . . And so the setting up of a Regional Council is, to us, but a natural and logical sequel in the development of this Region," said Tun Abdul Razak at the official opening of the Regional Seminar on Development on 5th February, 1968, at Kuala Lumpur. The keynote of his address, given below, is the need for greater regional co-operation.

As you all know, we in Malaysia decided to set up a Development Studies Centre and hold from time to time, both Regional and International Seminars, not with a view to attempting to teach other countries how to develop, but rather with a view to stimulating and encouraging an interchange of ideas and methods on Development, so that we can all gain from each other's experiences in the field of Development.

It may be said that 1968 is the year of the "*transplant*" in which medical science has made a break-through in being able to transplant hearts! We, here in this Seminar, are also making a bold attempt to carry out a successful "*transplant*".

The whole object of us getting together, representing friendly neighbouring developing countries in this area of South-East Asia, is to try and successfully transplant and inter-change the experiences and knowledge each of us have acquired, and to discuss together the lessons we have learned in our own countries, and, perhaps, in your discussions the germs of new ideas, of new thinking and new methods will be transplanted from one to the other. Perhaps, if our development transplant operation is a hundred percent success, we will give our region of South-East Asia *a new heart* and a new hope for the future! But as you are all aware the essentials of a successful transplant operation depend, to a large extent on the other main organs of the body being in sound healthy condition.

So also with the economic development of this Region of South-East Asia. It is of little value to transplant ideas, knowledge, and experience on Development unless we have sound organisations and the administrative machinery to implement them to the full. As with human transplant, also is required strong veins and arteries of human communication between our various countries and peoples in this region and to make sure that the flow of friendship and good-will between us is never again blocked by a few irresponsible "clots".

The days of national isolation are a thing of the past! Nowadays, each of our achievements and our setbacks, our successes and our failures, our way of life and our aspirations have significance far beyond our national boundaries. The era of isolation is dead—we are living in the *era of interdependence*.

Goodwill and human consideration alone, although essential ingredients to our common objective of co-operation, are not enough. It is absolutely essential that the leaders of the world, and those responsible for formulating national policies be alive and make use of the vast areas of possibility and opportunity that exist and have yet to be tapped to the full. We all must make more positive and sincere efforts to mutually improve each other's economic, social, cultural and educational progress.

Not long ago in this Hall, the President of the Republic of the Philippines called for our countries of South-East Asia to give reality to our common aspirations. He declared that the time is now ripe for the setting up of new schemes for economic, technological, scientific, educational and cultural co-operation in this region.

To us in Malaysia this call is most welcome and coming from a statesman of President Marcos' calibre is proof of the awakening on the part of our people of South-East Asia to the need for greater achievements in these fields of progress. To us in Malaysia this call is a matter of the utmost satisfaction which will encourage us, together with others, to make even more determined efforts to promote regional co-operation among our countries of South-East Asia. I declare here, speaking for Malaysia, our positive response in full measure to this proposal and our readiness to explore all avenues for its realisation, I say here and now that we can and will contribute wholeheartedly and immediately to the implementation of this proposal.

In fact for the last ten years, Development Councils have become the main blood-stream of our development organisation. We in Malaysia realise, after twelve years of fighting militant Communism, when we were first able to get down seriously to the task of Development, that the first essential was to set up a machinery of Development within our country. Under our R-E-D Book System we established Development Councils at Federal, State, District and even at Village levels. And so, the setting up of this Council at Regional level is, to us, but a natural and logical sequel in the development of this Region. In fact, it is a challenge and a welcome opportunity to us in Malaysia, who are with one heart, and one voice, willing to play our part and make our full contribution to the development, not only of our own country, but to the Region as a whole.

There is one thing, however, which I would like particularly to stress with regard to the concept of this Regional Development Council. Recent events in the world, over the last decade or two, have shown how easy it is to set up councils, committees and conferences. It has also shown how easy it is for international organisations to become too top-heavy and although their intentions are excellent, difficulty is experienced in conveying conference-table decisions right down to practical implementation on the ground, without becoming caught in the webs and pit-falls of bureaucracy. We must never allow our new Regional Development Council when set up, to fall into this trap!

Regional co-operation must become a reality, not confined only to top leadership, but must permeate right down to the lowest strata of our economy, and the whole strata of our respective

societies. Let us not make the mistake of allowing this new Development Council to become a depository for the dead-beats, misfits and the bureaucratic fugitives of the world, but let us ensure that we contribute towards its success with the best human resources we have available, and if, per chance, any of our nations are liable to suffer from a brain-drain, let it be directed into the blood-stream of this new dynamic Development Council! Let us, therefore, have, at this historic juncture, sufficient vision and imagination to plan and set up a Regional Development Council that will not only be dynamic in action, but will use as its yard-stick of success "positive action and tangible results".

Furthermore, when we set up this regional machinery for Development, let the key-note be *Development co-operation in depth*, and by this I mean that contact between our neighbouring nations in the field of Development must not be confined only to the conference table or committee room—there must be contact at all levels—on our farms, in our factories, in our laboratories, and in our institutes of learning.

For developing countries which have just become newly independent, the task of development is but a natural struggle, a continuance and part and parcel of the struggle for national freedom. Appropriate strategies will have to be laid out to ensure that the mind and will of the nation are focussed on the objective of Development. National emotions which hitherto have been used to fight the forces of colonialism have now been mobilised to the full to eradicate the inherited defects of the past.

On this, we in Malaysia have been fortunate for the record of our ten years of Development has shown that the techniques and systems which we evolved for National and Rural Development are bearing fruit. The winds of change, the aftermath of a silent economic revolution that have swept over every village in the country are most gratifying and most rewarding to the efforts and initiative of every Malaysian today.

Once the road of Development is taken there is no turning back. It is a road that is infinite and equally so are the energies generated. To consider development as finite would cause stagnation and irreparable damage in terms of our national progress. Therefore, in planning our Development programmes we must be certain that each is a progressive step forward but at the same time we must be cautious to see that every step taken is planned and is practicable.

If in the course of our Development, aid has to be sought, it is sought in the interest of continuing what has already been begun. The aid we seek is, therefore, to ensure and sustain progress. The criteria for aid cannot only be for the man who is merely hanging on the thread of existence but equally is important that aid must be considered to keep the machine of progress moving and expanding.

Within the broad concept of the organisation of ASEAN, for instance, there exists an instrument to obviate any difference; allay suspicions, help suppress obsessions, create common understanding and create an opportunity for the meeting of minds. I am confident this will result in total co-operation between its members for the benefit of all of us. I have stated several times that to Malaysia the efforts to realise this aim is one that is very dear to us. For our part we will do the best we can. However, this cannot be achieved purely on willingness and readiness of Governments alone. Treaties or agreements alone cannot be effective unless there is a desire among the peoples of the countries concerned to work together side by side to achieve this common aim. Therefore, a start has to be made to create a definite awareness amongst our people of the validity and significance of this concept. People of this Region, be they businessmen, politicians, educationists, farmers and civil servants must meet more frequently so that they can understand and appreciate each other's problems and interests. A Seminar of this nature at which are gathered together professionals in the field of Development, is one of the most practical steps in giving reality to the call for regional co-operation.

I have just stated in definite terms of what I feel is the essence of development; it is economic progress, not contented complacency nor a philosophy based on mere survival can the nation expect to harness its people's emotions and capabilities towards a better life. Once we set out upon a course of development, expectations are implanted in the hearts of the people. Expectations are in one sense limitless; the more we progress the greater the expectations. However, I consider expectations as the fuel of development. Without this our efforts would cease to be dynamic.

This Seminar which will meet for the next ten days has as its theme "The Strategies for Motivating Development". I cannot think of a better topic for us to discuss since motivation is what

keeps us moving along the path of progress. I urge that during your discussions you consider this aspect seriously, and most of all, in practical terms.

Let us not confine our deliberations to theory, but consider ourselves as a group with an accumulation of years of practical experience based on the knowledge of our people and the environment of this region, and with reservoir of experience and talent I hope that there will be established not only a recognition of co-operation but a continual need of exchanging ideas.

If you approach the Seminar in this spirit, I feel certain that new and useful ideas will emerge from which we will all benefit. Lastly, it is my sincere wish that you should see as much of Malaysia, as possible, and bring back with you the satisfaction not only that you have learned something from us but that we Malaysians have been able to learn from you just as much if not more. We can then pride ourselves of having carried out a successful Development "transplant" operation!

THE GREAT TRANSFORMATION

MALAYSIA GETS PRAISE FROM WORLD BANK PRESIDENT

At a symposium entitled. "Great Economic Debates" held at Dewan Tengku Chancellor, University of Malaya on 2nd October, 1967, Tun Razak, in his opening address, gave details of the progress attained by the Alliance Government in the various spheres of development entered into since the attainment of Merdeka. He brings home the fact that it is well within the scope of each and every one who has the welfare and progress of the country at heart to contribute individually and collectively to the common cause.

It always gives me a pleasure to come to this University because it reminds me of the visit I made to this place 11 years ago in 1956 when I walked on the site which was then covered with rubber trees and secondary jungle in order to decide on the establishment of this University. So I had obtained a little

satisfaction over the fact that I played a small part as Minister of Education at that time in the establishment of this University and in providing the opportunities for the best education we could give to our young men and women in this country.

It is with some hesitation that I address this gathering of economists and budding economists for I am not an economist. My only claim to fame is one of simplicity. I am a straightforward politician with a simple uncomplex background. And I claim to know something about Development and the desirability of Development in this country, particularly, Rural Development, because I myself started life in a rural and remote kampong. I started my schooling in a school with an attap roof above me and an earth floor beneath me. I still remember vividly the feel of the mud-floor on my shoe-less feet. I also make no claim to be an academic. I only had the good fortune of being able to study law at the Inns of Court in London years later, and although I started to study a little bit of the elements of Economics, I had to give it up owing to the untimely death of my father.

When I was studying like you, at your age, I mean those of you who are under-graduates, I thought a lot about politics because in those days our country was not yet independent and was governed and administered by a custodian Colonial Government. I decided with many others, to enter politics with one aim, a sincere aim to be able to serve my people and my country without much thought of personal gain. I looked upon politics, not in the philosophy of opportunism but rather in the spirit of opportunity to be of service to our country to help in the fight for independence and to serve our newly emerging nation Malaya at that time.

There were hundreds of others who were in politics at that time. Whatever their faults and short-comings might have been, they have done one great service to our country and their contribution will be written by historians in letters of gold. They assisted us in bringing about independence to our country and with independence, came progress and opportunities for our people for a better and higher standard of living and for a fuller and a richer life.

Let us now look back to the newly independent Malaya of 1957. Let us turn the pages of history to a decade ago and get our

thinking on Development in perspective. I am sure you will agree with me, being economists, you must do everything in perspective and also apply your economic theories with perception in perspective. We went through a period of trials and tribulations during the Japanese Occupation. No sooner was this over, instead of moving forward into an era of hope and progress, our country was faced with a long and drawn-out Emergency caused by militant Communism which drained our time, our money and our energy, and distracted us from the task of Development. The Emergency was still very much with us when the country gained its independence in 1957.

Our first task was to rid ourselves of this Communist menace and to devote our energy and resources to bring about peace in our country, and we could not seriously set about the task of development and nation building. We were not able to apply the full forces of financial and human resources to the tasks of pushing our nation along the path of progress until July 1960, when the Emergency was brought to an end.

I remember well those days how our people in the villages suffered for 12 years—they had to live behind barbed-wires in temporary huts, they had little to eat and were living from hand to mouth; they were not properly clothed, some of them were half-naked; and many of their children were not able to go to school. That was the situation at that time. Our country was living in a state of gloom and despondency. Although we achieved Independence, it meant very little to most of our people. Our people in the villages and the kampongs could not see any hope for a prosperous and happy future.

In a situation such as that, what were we to do? The obvious thing for the Government to do, was to give immediate assistance to our people to lead them out of this state of despondency and helplessness; to give them the bare necessities of life; to show them that there was hope for the future, that the Government was in earnest in endeavouring to give them a better and a higher standard of living and that as citizens of an independent Nation, they could have a rightfui place among the free Nations of the world. So that was the situation we had to face and that was the way in which we had to tackle the problem. We had to feel the pulse of our people, both in the rural and the urban areas and devise ways and means of increasing our National pulse-beat from a sub-normal pace to that of a natural and lively speed.

I decided to divert our nation's finances and energies towards development. Our first task was to gear the machinery of Government towards development. Towards achieving quick and immediate results, we had to shed the shackles of Colonial thinking and Colonial methods. We had to make every department and every Government servant orientated towards dynamic Development. We had to change their way of thinking, their attitude of mind and to pool all their energies and resources towards bringing about quick results in this field of Development.

We had to implement our Development Plan phase by phase. We had to show to the people that the Government was in earnest to help them to bring them the bare minimum amenities of life, and to lift them from the hopeless situation which they were in. So the Government had to do its part to build roads to get access to these villages to enable us to bring amenities of life to them. We had to do all these minor projects, such as building of Community Centres, places of worship, bridges, water-supplies and such like, in order to invoke confidence, enthusiasm and hope among our people living in such depressed conditions for a better life. Also, it was necessary to lay down a sound framework and infrastructure of development before we could call on the people themselves to contribute their own part in the development of their country. That was why we carried out development in phases.

The first phase was action by the Government and after we had implemented this first phase for 18 months, and having invoked this confidence and enthusiasm among the people, we started our second phase. We called the people to action to play their part in improving the standard of living, in increasing their income and improving the conditions in their homes and in their villages. Some purely academic observers of our National Development Programme have criticised such minor projects in the rural areas as the building of Community Centres, places of worship and other minor projects which they call uneconomic. But, that part of our development programme was negligible compared to the overall effort on sound economic projects.

Development is like a four dimension film; pure hard and fast economics and an economic theory is not enough. One has got to take into consideration equally important aspects, the human aspect, the social aspect and the political aspect.

NEW BRIDGE IN PERAK



Tun Abdul Razak and party walking on a new bridge-cum-bridle path at Parit Alas, Kuala Kurau, Krian District, Perak after its opening ceremony on 23rd July, 1960.

GREETED BY VILLAGERS



Picture shows Tun Razak being greeted by villagers during his tour of Batu Talam, Raub to see the progress of rural development projects in that kampong.

Our Five-Year Plan after Independence did bring success in transforming the rural sector to increase the income of the people to provide the social amenities as are to be found in the urban areas and generally to make political independence meaningful by economic progress.

The small things—a small road to a kampong, a small clinic, a small community centre, a place of worship; these sort of things are equally important both psychologically and politically in so much that they create an awareness amongst our people, no matter how remote and far away they may be from our towns. An awareness to realise that development is part of their lives, that things are happening, that our nation is marching forward, and that they themselves must join in this forward movement and make their own contribution on their own land and in their daily work and in their efforts to increase production—indeed in improving their standard of living and way of life and in our efforts towards our National Development. A road leading to a village is important in that it is a means of bringing better health services, better education, better government services, better information services, better contact with other people and even better contact with you Economists who want to go and study the economics of National Development.

There have been impressive achievements since Merdeka which give reason for pride and satisfaction in the past and for real confidence in our future.

It is a source of satisfaction to us all that the President of the World Bank, Mr George Woods, at the annual meeting of the Bank last week, made special mention of our country's impressive economic achievements.

More recently, Dr B. R. Sen, the Director-General of F.A.O. has complimented us for our plans for economic development and, in particular, our efforts to achieve self-sufficiency in rice by 1970 after having seen for himself the steps that had already been taken towards this goal and also I quote "the precise way we had planned them." The World Bank and F.A.O. make it a point to be well-informed and our sense of satisfaction is all the greater in the knowledge that praise from such sources is not lightly earned.

Let us now take a quick look at what we have achieved in the last ten years. During 1960-65, Malaysia's national income grew

by 5.8 per cent per annum. As population rose by 3 per cent per annum, average incomes increased by 2.7 per cent, a good achievement indeed. During the same period, employment grew by 3 per cent per annum, enabling us to absorb increases in the labour force. All this has been made possible by sound and progressive economic policies. A measure of our commitment to national economic development may be best illustrated by the increasing proportion of our national income, allocated to investment. While in 1955 we invested 9 per cent of our national income, in 1965 we allocated no less than 19 per cent of our national income to investment.

As to land development, 183,000 acres of virgin land have been opened by the F.L.D.A. to settle 11,000 families involving a total of some 65,000 persons. A further 160,000 acres have been opened up and planted under State schemes. As you know, the Jengka Triangle Scheme, which is now in the planning stage, will be our biggest land development Scheme which will help settle thousands of families and give them land and an estimated income of $350 a month. In rice production, the area under padi cultivation expanded from 790 thousand acres in 1960 to 900 thousand in 1965, of which about 160 thousand acres have been made capable for double-cropping. With the implementation of two major drainage and irrigation schemes in the Muda River and the Kemubu area, and the use of RIA, a new rice variety which will double yields, Malaysia will soon become self-sufficient in her basic food crop by the early seventies. As far as rubber production is concerned, the far-sighted rubber replanting programmes initiated in the fifties have considerably strengthened our ability to compete with synthetic producers. Our estates are now more than 80 per cent replanted with high clonal seedlings, while smallholdings have been replanted to the extent of 60 per cent.

Supporting these production increases have been a wide range of infrastructure improvements. In roads, for example, the network expanded from nine thousand two hundred miles in 1960 to thirteen thousand three hundred in 1966, an increase of about 50 per cent in six short years. As regards electricity, the total power generated doubled from 1,233 million kilowatt-hours in 1960 to 2,510 million kilowatt-hours in 1966. In addition, the expanded education and health programmes pay particular emphasis to bringing these facilities to places which do not already have them. Indeed, expansion of our educational system has been truly

phenomenal. School places provided have risen from three quarters of a million in 1952 to two million in 1966. This is an increase of the order of 150 per cent. At the same time, our educational system is being restructured to provide the types and levels of training required by a modernising economy. The rapid growth of the University here and the excellent facilities provided for you all, are testimony of the progress in education. This is an accomplishment that will ring through generations of Malaysian history. Improved medical and health facilities have slashed the death and infant mortality rates. At the same time, a programme for family planning is under way to ensure better economic opportunities for our younger generation and to safeguard the health of mothers.

All this then is indicative of the solid economic progress achieved in this country under the Alliance Government. Now let us turn to the future. For this, the path of development has been mapped out in the First Malaysia Plan. This Plan is the first of a series of plans framed in the context of a twenty-year perspective which covers the country's long-term strategy, objectives and targets. Our current high income level has been produced mainly by the growth of the rubber and tin industries, the twin pillars of our economy. However, both these commodities face uncertain prospects. In the case of rubber, the long-term world price is falling steadily while, with regard to tin, known reserves are being depleted. If, therefore, we are to bring about rapid economic and social development in Malaysia, we will have to re-structure this economy by creating new patterns of economic activity involving diversified agricultural expansion and industrial development. This process has already begun. For example, we now produce more than enough cement to meet all our constructional requirements. We shall be self-sufficient in rice in the seventies. And we have embarked upon wholly new lines of economic activity in basic steel, fertilizer and petrol-chemicals. With every month that goes by production for the domestic market accounts for an increasing proportion of our gross national product. But all this is not enough. In the quest for development, no nation should ever be satisfied with its accomplishments.

Looking to the future, this Government will lead this country to capitalise upon our inherent potentialities to an extent never possible before and this despite increasing external difficulties. We are probably unique among developing countries in having

a combination of virgin land and under-utilised human resources available for development. We are probably unique among developing countries in the strength of our private and public capital position. And we are surely unique in the quality and quantity of our social and economic infra-structure with which those people, and that capital and land can be combined. To draw forth and mould these resources and these potentialities for the public good, this Government will press for liberal land alienation. To provide gainful employment to the additions to the labour force over the years and eliminate the back-log of unemployment, we must move rapidly to put our arable land to the best productive use.

We will undertake all that is necessary to encourage private participation by all our people and by foreigners in agricultural development and diversification and in industrial development. Such is the purpose of the forthcoming Investment Incentives Act which will bring under one piece of legislation all Government incentives offered to industries, widen the scope of these incentives in some cases and provide for flexibility in their administration.

I should like to emphasise here that it is not enough for us merely to look to our domestic market. We must strive to expand our exports, both agricultural and industrial. This country has done well to avoid a situation where local industries are by and large not efficient and operate under high protective tariffs. Having high tariff rates not only distorts the allocation of resources but raises the cost of production of almost everything else. In effect, the consumer ends up subsidising inefficient producers. It is essential for local manufacturers in producing for the export market to strive continuously for greater efficiency.

Recent developments in the price of rubber are matters of serious concern to us; they may not, however, spell disaster for our First Malaysia Plan. It is true that the price of rubber had declined more sharply than envisaged in the Plan; it is true as a result we have lost considerable foreign exchange earnings, especially in the last two years. However, despite this adverse trend of rubber price, our export receipts for 1967 are expected not to fall too much below the level anticipated in the Plan. Export receipts from sources other than rubber for the remaining years of the Plan will grow more rapidly than originally projected in 1965. The reason is the increasing quantity of oil palm, timber and minor exports produced.

These developments indicate that the implementation of our First Malaysia Plan will not be unduly jeopardised. Government will see to it that the momentum of economic and social development in the country will not be hindered.

While determined to achieve the Plan targets we have set ourselves, we are equally determined not to create inflationary pressures which could undermine this country's financial stability. In this connection, it is noteworthy that our general price level has remained relatively stable over the years. The index right now is just over 104 on a 1959 base of 100. Surveying the situation as a whole, we do indeed have ample cause for satisfaction with our past performance and with our prospects. We enjoy political and economic stability. The credit-worthiness of our country is high and our public debt is at a relatively low level. Our reserve position is good. Given the sense of dedication, self-reliance and with determined efforts, our people can look forward with confidence that Malaysia will have a bright and prosperous future.

As Minister of National Development, I have opened many new roads, many new schools and a hundred and one thousand new development projects. Never in my life have I been asked as a politician to open a "pipe-line", but to-night in opening your Symposium, I should like also to open a pipe-line of ideas; a pipe-line of economic thinking; a pipe-line of constructive thought for the development of our nation, which will link our nation's University with our National Development Programme. I hope that in the next few years, all of you will get down to some constructive thinking and produce some ideas that are worthwhile for the future of our country.

Let us not waste our brain power; let us not create a brain-drain in arguing over the defects of the past, but let us put our brains together and produce a constructive plan for the future so that our nation may progress even more in the next ten years than it has succeeded in progressing in the last ten years.

" . . . . Our national rural development policy was designed to give full recognition to the universal principle that no nation anywhere in the world can hope to progress to any extent except by the full-hearted co-operation and energetic efforts of each and everyone of its citizens . . . ."

. . . . . *Tun Abdul Razak.*

AN ALLIANCE OF IDEAS AND EFFORTS

"FUTURE STILL HOLDS FOR US MANY CHALLENGES"

Tun Razak lays the yardstick in this speech to assess ten years of development and progress since Merdeka Day. His remarks were made at the Pameran Sa-puloh Tahun Merdeka on 28th August, 1967, at Sekolah Kebangsaan Hisamuddin, Kuala Lumpur. He underlines the fact that to increase and improve our productivity we must have an alliance of ideas as well as an alliance of efforts between the people and the Government.

Ten years ago, all of us celebrated the independence of our beloved country. We were 10 years younger then.

In the 10 years that have passed, a lot of changes have taken place. Have these changes been for the better? Can we look back with pride on the changes that occurred during this period? Have we built a society and a nation which our children would be proud of? Have we given them the best that we could give? Have we given them a better world to look forward to? Have we improved the lot and the well-being of the man in the street? Have we fulfilled the aspirations that we hoped for on the day when we proclaimed our country a free, democratic and independent nation?

Yes, definitely so! We have achieved these aspirations and objectives, and indeed, we have done much more. The Alliance Government has in this short period of time proved itself worthy of the mandate given to it by the people when they voted this Government into power. We aimed at building a unified Malaysian nation, stable in economy, enlightened in policy, and worthy as a member of the family of free nations.

At home, we have moulded a nation; a Malaysian nation, from diverse peoples and cultures. We have built a strong and viable economy; we have provided new job opportunities, and we have secured a better standard of living for all our people. Externally, Malaysia has also built up a firm reputation for integrity and fairness in the conduct of international relations. We have forged strong regional, economic and social grouping for the common good and prosperity of nations in this part of the world.

Let us pause for a moment here and examine by what yardstick we can measure our progress in the past 10 years. We could turn to the internationally accepted criteria such as our gross national product which we are proud to state has increased at 6.8% annually. Our per capita income has increased at a rate of 2.7% annually and our per capita consumption has increased. So also has it been with our trade with countries abroad. On the other hand, our infant mortality rate has dropped from 75 to 50 per thousand showing that we have made this country a healthier place to live in.

Now these statistics may be meaningless to a man in the street, so let me put it in simple terms. Our trade with countries abroad has increased. Our food production has also increased. We are now less dependent on foreign imports. We are producing more and more consumer and durable goods. We have diversified our economy by strengthening our agricultural sector and providing a suitable climate for the expansion of our industrial sector.

We have opened vast areas of land for the landless. We have provided shelter for those without homes. Our communications have transformed the countryside with new roads and projects. We have broken down the *barriers of isolation* of the rural folks. We have provided social amenities for our people not only in the towns but more so in the rural areas. We have brought electricity, water, the telephone, the radio, and innumerable other facilities to the rural settlers, farmers and fishermen who make up the back-bone of our people.

These achievements only represent the more tangible and obvious economic gains. At the same time, we have not neglected the development of the intellect and skill of our people. We have not only looked after the *needs of our stomach*, so to speak, but also have *cared for the mind*.

In uniting the various races which make up our nation, we have adopted education policies that would make our children loyal and dedicated citizens. Our aim is to educate our children not only to be good parents but also to be productive workers and active participants in our society. To achieve this we have provided them free primary education. We have set up a sound, practical as well as academic secondary education system on a national basis. We have expanded our facilities and opportunities for higher learning. We have brought education to the masses through adult

and further education classes. Our literacy rate has increased and compares favourably with other progressive developing nations. We have developed our own national language of which we are very proud.

We have drawn from the *richness* of our multi-racial cultural heritage and have built a Malaysian culture with an identity of its own. We no longer speak of a Chinese or Indian or Malay culture; we now speak of a Malaysian culture! We are fervent in our belief that our people are born free, free to pursue their religious beliefs, and free to live a life of their own choice. We are jealous of this freedom and we will defend it with our lives.

To perpetuate and to maintain our way of life we have successfully defended our country from external aggression. We have defeated alien threats when we eliminated militant communism. Our people reaffirmed their belief in a free and democratic form of government when they stood shoulder to shoulder against such threats.

As a member of the United Nations, Malaysia has contributed effectively towards the promotion and maintenance of world peace and security, as illustrated by the role we played in the Congo and Cyprus. During our 10 years as a member of the Security Council, we have contributed actively towards finding peaceful solutions in international disputes. The outstanding example in this respect was our contribution to the peaceful settlement of the crisis in the Dominican Republic.

Malaysia is most sympathetic to the needs and aspirations of the people in the non-independent territories. We therefore have actively participated in all efforts of the U.N. to bring about the early de-colonisation of the remaining territories under colonial rule.

In this part of the world we have together with the Philippines and Thailand formed an Association of South-East Asian states. The birth of ASA marked a new era—an era of the awakening of the countries in South East Asia in their realisation of the great need to work in closer co-operation in economic, social and technical matters. This spirit of co-operation which prevailed in ASA has now paved the way for a bigger regional grouping known as ASEAN, i.e., Association of South East Asia Nations. Through bilateral trade agreements we have not only boosted our export drive but also established closer understanding and goodwill.

We look back to these 10 years with pride because we have achieved these things through *peaceful, positive planning* on all economic fronts and a dynamic approach on all development efforts. Our achievements are the more remarkable because we have achieved all these through realistic and pragmatic policies, in a truly democratic manner, without shattering our national fabric. Our success story is an open book. The development implementation techniques which we have perfected in the last 10 years have enabled us to reduce income disparity between the rural and urban areas.

The future still holds many challenges. This is a young country and to develop even further we need to improve the planning particularly in the use of man-power which we have in abundance. To improve and sustain the progress and prosperity that we have achieved would require a great deal of human talent and technical competence of the highest order. We need to increase and improve our productivity in all sectors. We can achieve this if there is an *alliance*—an *alliance of ideas* and an *alliance of efforts* between the people and Government. Let us go forward together, steadfast and unswerving in our resolve to bring even greater progress to our people.

In any endeavour to develop a nation to achieve progress and prosperity, the role of the people is as important as that of the government. In times of happiness such as this, the 10th Anniversary of our Independence, let us share our achievements with our people. Today, we have with us here three F.L.D.A. settlers, who represent the many Malaysians who have contributed to the success stories of our time. Let them, as Malaysians who have also made good our Independence, perform this ceremony so that this function today can be remembered for a long time.

Our National Development Plan needs the full support of all loyal citizens—in word, in thought and in deed. National development must succeed. Let us translate our aims into action, promises to proof and dreams into reality.

— *Tun Razak*

"REFORM AND SERVE" THE NATION

WHY THE FLAG WAS FLYING AT HALF MAST AT THIS LAND OFFICE

A concerted determination to work together in the common cause of implementing what we have set out to achieve can only be brought about by sincerity, unselfishness and an honest desire to reform and serve. This observation was made by Tun Razak at the State Operations Room in Johore on the 3rd of July, 1967, when he laid bare, in no uncertain manner, his unhappy reactions to what was taking place in most Government Offices. Those present included Members of Parliament, State Assemblymen, and heads of Government Departments.

If Malaysia is *really going to progress*, we must not only streamline the Central Government, but also, ensure that each component part of our Federation, *each State Government* is also streamlined and *up-dated* to shoulder the task of tackling the problems which face us on the path of progress, and be able to give our people the *best* service within our ability.

After the ending of the emergency in 1960, when we had got rid of the threat of militant terrorist Communism in our country, the first Directive on Development was clearly stated in the first page of the Red Book, and I quote—

"From Plans—One Aim—One Policy—One Plan—One Team—One Heart—To Results."

I feel that in some States this policy of One Aim, One Team and One Heart is not really being correctly applied and I feel very strongly that unless each component part of government, whether it be Federal or State, does work together as a team towards *our common cause*, we will fail!

Are we going to fail? We in Malaysia *will* and must succeed in all our aims; but the first *secret of success* lies in you, both elected members of the Johore Government and members of the civil service. That secret is, *closer co-operation*, closer loyalty to each other, closer *loyalty* to our policies, to our plans, and a concerted *determination* to work together in the common cause of implementing what we have set out to achieve.

To raise the standard of our *individual actions* above personality, above personal gain, we must apply ourselves and our energies to the *unselfish* task of producing results and a progressive Malaysia. We need to achieve results; to achieve the aims of development we have set ourselves; to reach the standard of progress and prosperity which we so dearly desire. Malaysia, will *not advance,* unless and until, both the elected members of government, and government's own officers, learn the lesson of *working together* towards the *common aim* and putting that aim *above* personal gain, *above* personality and *above* petty difficulties and differences which beset us from time to time!

Time has come in our stage of national development where we have to focus *all our time* and *all our energy,* both mental and physical, on the "key principle" of greater productivity! We have got to produce more; we have got to produce results and every unspent ounce of energy must go into this *common cause* and must not be wasted on efforts to achieve personal position or personal gain. Our energies must be concentrated on team-work, whatever our position in the strata of government. Whether we are elected by the people or appointed by the Public Service Commission, we must realise that we have, here and now, *one task,* and one task only, i.e., working together to achieve our national aims and to do the utmost for our people and for our country.

Let this be a day of resolve and let us determine to raise Malaysia to the standard of living and the standard of development which we have set out to achieve in our First Malaysia Development Plan. "We are not rivals in power—we are "*partners* in progress", and if we do not develop this partnership to the full—there will be *no* progress. Our progress depends on the successful implementation of our present First Malaysia Development Plan.

This year, the ration of funds in Development is in the region of $796 million. Out of this, we have a committed expenditure of $110 million for Defence, which may rise to $130 million. It is a necessary expenditure, rather like taking out an Insurance Policy which we trust will never be needed, but it is an "insurance" which we can never forgive ourselves for foregoing in the event of a catastrophe! It is an insurance for "security" because without national security we have no hope of development.

In our main Development Plan, we have many *long term, large* projects such as *land schemes* like the Jengka Triangle; a massive $200 million project like the Kuala Muda Irrigation Scheme and many other massive projects which, in the *long term,* will eventually bring economic prosperity to our people. But the philosophy of Development planning of the Alliance Government includes *not only* viable economic projects on a *large* scale, but also includes bringing to the door of every kampong house, the *minor* but *necessary* needs to help improve the standard of living, and way of life, of every ordinary man in every kampong. These needs are both economic, social and cultural; it may be a mosque, it may be a temple, it may be a road, a bridge or a well!

The philosophy of the Alliance Government is not only to have a Malaysia Development Plan, but *to have a Plan with a Plan,* and this is spelt out in the philosophy of our RED Book. People ask me why the book is Red. Red stands not only for the colour Red, but it also means Rural Economic Development. The Alliance Government does not only have a large basic plan, but also, in parallel with sound economic planning on a broad base, a plan for smaller and immediate projects in every kampong to fulfil the immediate needs of the rural people.

Last year, on my visits to Johore, I approved no less than $1.4 million to satisfy these minor important needs, and I am most sorry to say that although I approved this money on the spot *without delay, something has gone wrong with the machinery of development administration in your State, because these projects were not implemented in 1966, and the money had been lying idle, unspent, and the people, our people, who were supposed to gain some prosperity from these minor projects have not done so because of some form of* blockage *in the system of administration of your State. I hope that this will never happen again, and I hope that when I approve money, you, both members of the elected government and officers of the administration, will so galvanise the machinery of the development process, that plans for future development, both minor and major, will be put into action without* even one day's delay!

The time has come in our present phase of development that the Alliance Government is determined to produce immediate and quick results in all fields of development. As an elected government, we depend for the application of our policies, on officers

who are already serving in either State or Federal government service, but if these officers cannot respond to the *call of action*, cannot act quickly to implement our plans, and the policy of our elected government, then *the time has come* for us to take more drastic measures and replace them with others who are more active, and who will be able *to serve our people with more dedication and drive!*

Our future progress and future prosperity depend on the *continued abundant use of our natural resources*, and our greatest resources, apart from tin, iron ore and rubber, lies in the *development of our land*, and yet, the slowest and the most out-dated machine in our way of government, is the machinery of *land* administration which is still tainted with colonial methods.

The other day I visited a Land Office, and the flag on the flag staff was flying at half mast. I wondered who had died. Then I realised after I had inspected the Land Office, why, so appropriately the flag was flying at half mast. No particular V.I.P. had died, but everyone inside the Land Office was half dead, and it was a very apt symbol of a flag outside a Land Office flying at half mast!

We have got to do something to speed up, to up-date, and to bring into line, in keeping with a progressive nation, the tempo and *efficiency* of work in our Land Offices, not only in the State of Johore, but in every State and in every District in the whole of Malaysia. We have a tremendous amount of untapped natural resources in our land, but unless and until we speed up the tempo of Land administration, these resources are going to lie dormant and the progress of our country will be retarded.

Sometimes I get the impression that the Civil Service, whether it be State or Federal, is regarded as a charitable organisation merely to supply the Pay and Pension to the officers serving in it. This is not the spirit of the new Malaysia. We have no time, neither can we afford it, to carry "passengers" on our path to progress. The time has come to shed all out-dated colonial methods which persist in any part of our government structure, in any individual officer, who is not pulling his weight to implement the policies of our elected government. He must be removed from his post if he is found *unfit, and unable* to serve our people and to implement our development plans with the speed of action which we must *achieve, to survive*.

In the development of any country, development goes by phases, and we have passed through the Merdeka phase, and we have passed through the Emergency phase, we have passed through the Confrontation phase, and at this very moment we are in the phase of *stock-taking*, and we have got to take *stock of ourselves* and every aspect of our development.

We have finished our "Merdeka Honeymoon" and we have got to face facts. Expenditure on Defence has gone up and the price of rubber has gone down!

If we are to continue with our development programme, the key-note of development from today onwards, must have the main emphasis on *productivity*. When I talk of productivity, I talk not only productivity in pioneer industries, in tin mines, in rubber estates, but I also talk of every single area of government administration, in government departments *everywhere*.

Although we are a modern and progressive nation, land administration is still at what I call "Colonial stand-still." Our new land Code and our system of land administration, the Torrens system, is as good as any other system that can be evolved by modern methods. What is wrong with our land administration system? It is certainly not our system which is out-dated, for it is as modern as any system of Land administration can be. It is the officers who are administering the system who are out-dated. We, as a progressive nation *cannot tolerate any more out-dated officers*, sitting with *out-dated* thoughts and out-dated attitudes.

I have given considerable thought to the inefficiency of our land administration and I have made a diagnosis on its defects. Why are the public complaining all the time? Why do I get inundated with petitions from land applicants waiting outside my house saying that they cannot get land? What is the reason that they cannot get even a reply to their land applications?

I am convinced that the system of land alienation is correct. In any case, one does not change horses in mid-stream, and we will not change the system, but, *what must be changed is the attitude of mind* of officers at all levels, who are responsible for land administration. It breaks my heart to visit land offices, and feel the death hand of colonialism still lurking in the desks, cupboards and files of our land administration.

I am distressed to see Collectors and Assistant Collectors sitting there with the same attitude, with the same old colonial Civil

Service style, which I thought that we have already thrown overboard, and shed since Merdeka!

Sitting patiently outside the land offices are our people to whom the granting of a few acres of land is vital for their life and their livelihood, *and yet to* see these applications dealt with *no sense of urgency*, no sense of human feeling and no attitude of dynamic efficiency, really breaks my heart.

Land administration is a State matter! As a Federal Minister I have no direct control! But, what is the defect in our land administration today? The defect, according to my diagnosis, is a lack of leadership. Leadership, is not something confined to Cabinet, to the State Executive Council.

Leadership must permeate right down from Division I officers to the lowest Division of our civil service, and I would like to see, particularly in the case of State Secretaries, State Development Officers and District Officers, the ability, not so much to work themselves, but to make other people work; the ability to move around and find out what is *slowing up the machinery of government*.

There should be more contact with the public; more sense of urgency in serving the common, ordinary man. How often in any State, does the District Officer walk out from his office and talk to the applicants sitting outside on the benches at the Land Office and ask him his problem, and then push his requests with a definite sense of urgency. Unless the Collector of Land Revenue shows a sense of urgency, neither the Assistant Collectors, Settlement Officers, or tracers will feel any urgency in approving land quickly. Our people must be given a fair chance for a fair living, and land which they wish to have approved must be dealt with quickly; it is in most cases, a matter of life and death to them.

I want to see some new *life*, new *blood* and new *energy* infused into our land administration. This is a State responsibility. This can only be achieved by leadership! All Mentri[2] Besar, State Secretaries, Commissioner of Lands and District Officers must so adjust themselves to a new attitude of leadership.

I sincerely hope, that the message that I have tried to convey in my speech today, will give you a formula for action towards greater progress in the development administration of our country; we have got to develop to survive.

A MEETING IN MINIATURE OF THE U.N.

THE "SOUL" OF DEVELOPMENT LIES DEEPLY IN ALL OUR HEARTS

Delegates from thirteen countries, from Africa, from the Middle East and from Asia, heard Tun Abdul Razak describe the ingredients vital for promoting material development which is "the very foundation of security". He was speaking at the opening of the Second Seminar on Development from 22nd June to 30th June, 1967.

This gathering to-day looks like a *meeting in miniature of* the United Nations, and, although here today, we are not a meeting of the U.N. Security Council, we are, nevertheless, an international meeting, *concerned with security*, because the subject which you are going to deal with in this Seminar, *Development*, is in fact, the very *foundation of security*.

By getting together and exchanging views and ideas, and discussing how we can implement sound development planning, is a step forward towards greater *security*, because development, in its *true sense*, gives our people security for the future, security from poverty, security in relation to better health, education and a better way of life, and hence a higher standard of living.

These really are the aims of any nation's development programme!

Perhaps, I should explain why my government set up a centre for development studies, and decided to hold, from time to time, seminars on development, to which are invited distinguished participants from all countries, not only in this region of South-East Asia, but also from Africa and the Middle East.

Malaysia has been independent from colonial rule for the last 10 years, and during these 10 years, my government has tried its best, within its own capabilities, to use all our energies, both mental and physical, and to use all our resources, both natural and financial, towards developing Malaysia to the highest possible standard that we can achieve, so that our people will live a happy and contented life, with a higher standard of living than ever before, in a happier and more secure home, than they enjoyed in the past.

And we believe, that this strengthening of our economy, this increase in output of our energies, this raising of our standard of living is, apart from all the other benefits, is also an *investment*

towards the security of our *sovereignty* as an independent nation; because the seeds of subversion *do not easily germinate* and take *root* in a nation which is going forward on the path of progress; the seeds of subversion, particularly, when sown by Communists, thrive *on more barren ground in a nation* which is going backwards.

Therefore, having evolved our own planned development in Malaysia; having evolved our philosophy which motivated these plans; and having evolved our own techniques as to how we can translate our plans from paper into action, and from action into worthwhile economic projects, we thought that you our friends, whether you come from Africa, or from the Middle East, or from Asia, would like, from time to time, to come here to Kuala Lumpur, and spend a few days discussing our mutual aims in the field of national economic development; exchange ideas and state clearly our problems, so that we here in Malaysia, can learn from your experience, and that, you, on the other hand, can see for yourselves, what we are trying to do; what we have done; and what we intend to do.

Therefore, by this very healthy, free and frank discussion in this Seminar on Development, our minds will be renewed, and refreshed, and the net result will be, *we hope*, that the "soul" of development which lies deeply in all our hearts, will be stimulated and encouraged to more agile thought and greater effort towards the task we all have in common, that of developing our own country and pushing it along the path of progress. Let us discuss and define this word "progress", and how we are going to achieve it.

As I see, in my own mind, the whole process of progressing as a nation, falls into very clear categories. Firstly, one must have a Plan, and the methods of making a sound national economic plan are well established, and there is, throughout the world, a tremendous amount of expertise available on economic planning. So, therefore, it is not difficult to devise a 5-Year or 6-Year Development Plan for a country, but, having made a Plan, based on facts, figures and economic projections, then *three questions* must *be asked and must be answered.*

Firstly, *funds* must be raised to finance projects; secondly, *techniques* must be evolved to ensure the day-to-day implementation of the development plan, and thirdly, perhaps, more important than funds, *emotions* must be *aroused and concentrated* to ensure

that the maximum effort on everyone's part is so stimulated and channelled into one unanimous national effort in the direction of development.

How do we do this? The answer to this question, I hope will be the focal point of this international forum on Development. Let me put it this way; let us take the working of the human-body. For a human-being to achieve results, whether it be the physical effort of winning a gold medal at the Olympics or the mental effort of obtaining an academic doctorate.

Such effort requires, the secreation of "Adrenaline" from the adrenal glands which give both mind and body a boosting charge which supplies the fuel, the fire and the power necessary for a perfect performance. This is the law of nature, which no one can change or dispute.

Let us, therefore, examine this fundamental law of nature in relation to development, "What is the adrenaline of development."

This a question, a stimulating question to which I think and hope that your Seminar could after ten days, perhaps, give a stimulating answer!

Let us be frank about this.

My responsibility, and the responsibility of all my Cabinet colleagues, is to guide the state of the nation on the shortest possible route to progress!

Leaders of any properly governed nation in the world, particularly, what we call the developing nations, are quite rightly, as I am, impatient for progress.

We have got to get things done and get them done *quickly;* and yet, the elected leaders of any country; are not the real instrument of progress; the instrument of progress is really the Civil Service which is responsible for implementing our policies and directives.

In other words, in this democratic way of life, the politicians can be compared to surgeons operating in a hospital operating theatre. You can have the best qualified surgeon in the world with the best degrees and best skills, but, nevertheless, he can make a complete hash and failure of an operation if his *scalpel* is rusty and blunt.

In the process of national development, the *scalpel* or the *knife* which cuts the path of progress is the Civil Service which must support and carry out the policy of an elected government.

How, therefore,—*and this is the question before your Seminar*—can we devise new ideas, new thinking, and new methods to ensure that the machinery for development becomes an incisive, sharp stainless steel instrument to *cut through* differences, difficulties and delays?

Our development and progress cannot be cheaply purchased; and their price must be found in what we *all forego* as well as what we all must pay!

This means that not only must we evolve and maintain a sound system of development implementation; we must also find ways and means of shedding old-fashioned, out-dated attitudes, and substitute an entirely new approach to tackle this great task of development implementation.

In the old days, when development was unheard of the structure of any civil service was based on the principle of "routine competence." but today, if we are to achieve dynamic development, routine competence is not enough; all our government officers concerned with development must acquire a new attitude of innovation, combined with the ability to lead.

In fact, the answer to development, to my mind, is contained in one word, leadership. And what is leadership? Leadership is the art of indicating a distant and inspiring goal so as to make all else see *trivial*.

In the field of battle, it is under an inspired leader that the soldier comes to regard his possible death as a mere incident; in the field of industry, it is under an inspired leader that the workman works more for producing perfection of his product rather than his pay.

In the field of development, it is inspired leadership at all levels which will maintain a focus on the national goal, rather than a focus on the pettiness of files, papers and departmental differences.

It is at the farthest end of our development programme that the breakdown of leadership is most likely to occur—at project, farm and village level.

Finally, Gentlemen, to go back to the question I asked earlier in my speech, "What is the *Adrenaline of Development*?" I personally think that it is *leadership at all levels*.

I understand that on the drug market, you can buy synthetic substitutes for "*human adrenaline*" which is prepared on a special formula in the chemical laboratories of the world on a formula

which has been patented by leading scientists in the field of chemical research.

Unfortunately, you cannot produce the "Adrenaline of Development" from test-tubes but, perhaps, your Seminar here in Kuala Lumpur can give much thought to the matter, and, after all, all of you here, distinguished leaders on development from your own countries have come to Malaysia to join in this our human laboratory on development.

Perhaps, after ten days discussion, you may be able to produce new formulae that we all seek, a formula to produce and to inject the essence of development—the adrenaline of development leadership into our development implementation machines.

Thank you.

THE GREATEST SAFEGUARD OF OUR SOVEREIGNTY

NATIONAL DEVELOPMENT AND DEFENCE

A vivid account of Malaysia's Development Plan, of our techinques of implementation and of the results we have achieved was given by Tun Abdul Razak when he addressed the delegates at the opening of the Afro-Asian Seminar on National Development in Kuala Lumpur on 28th October, 1966. He warned against the "Deadly sins of bureaucracy"—the main deterrent factors—which tend to delay development."

We in Malaysia are happy and privileged that this first Seminar on Development is held in our country. I have long felt the need for a forum such as this at which developing nations of the world could gather together to exchange ideas and experiences frankly and honestly on problems in development, on planning and techniques of implementation. All of us, the developing countries in Africa and Asia, have focussed our attention on development in the forefront of our national goal within our own national boundaries. However, I feel that the time has come for us to realise that our development efforts and our progress are not merely exclusive of each other but are inter-dependent. In the field of economic development, we have our common goal, but at the same time we have common problems and by exchanging

ideas and views, by exchanging our experiences, we can assist each other in solving our problems and in this way all of us will be able to achieve our national aim in the field of development, at a faster and greater rate.

Most of the countries in Asia and Africa are newly emerging nations and a great number of them have gained political freedom in the last 10 or 20 years. All of us in this region agree and recognise that politically independence is not the end of our national goal, it is only the beginning of our task of shaping the destiny of our nation ourselves and of giving our people a better and higher standard of living, of meeting their expectations of having a rightful place among free nations of the world, with a decent standard of living compatible with a modern and civilised society. There is an urgency for all of us to develop and progress to keep pace with the passage of modern time. Therefore, there is this common characteristic of all emerging nations in Asia and Africa and I feel that this common characteristic and common ground could bind emerging nations more closely together so that they could work together and co-operate for their mutual benefit.

Ladies and Gentlemen, as far as Malaysia is concerned, this Seminar is both timely and necessary—timely because we have just completed at the end of 1965, our Second Five-Year Development Plan which was really our first National Plan since we achieved independence and we have just started on our First Malaysia Plan; necessary because the techniques of development implementation which we evolved and adopted have been put to test during the last five years. I can say with modesty that our techniques have produced results in development achievements far beyond our expectations. However, it is necessary for us, having gone through this process of social and economic changes, to set ourselves on the task of re-examining our machinery of development and our techniques of implementation which have been responsible for bringing about these changes to ensure that this machinery and techniques would be even more efficient to produce even better results.

I have always stated that my basic thinking on development is that it is a mosaic, a combination of various parts. One cannot separate the various aspects of nation-building and development because each is interrelated with the other. It is my view that you cannot separate development from politics or from day to day administration, neither can you separate development planning from implementation and neither can you separate implementation from evaluation.

You all know the question often asked by children: Which comes first, the chicken or the egg? Scientists have not been able to answer this question.

There is a similar question to be asked with regard to National Development: which comes first, political stability or economic stability? I myself would answer this question by saying that both come first and they come together. They come together because without political stability you cannot have economic development and without economic development you cannot have political stability. The two are synonymous and inseparable.

Therefore, Ladies and Gentlemen, the first basis for economic development is the type of political leadership which will not waste national emotion on non-essential rabble-rousing or continuous beating of the corpse of colonialism and imperialism, but on political leadership that can channel national emotions into action and national energies into development results.

Ladies and Gentlemen, although we live in this modern world of automation and we read from time to time in newspapers of scientific progress that has made so many things in our daily lives automatic, there is one hard fact that we must remember, and that is, the development of any newly independent country is not automatic; neither is the implementation of a Development Plan automatic.

Our last Five-Year Development Plan would not have achieved the success it did if we did not mobilise the resources of our country and the whole of our machinery of Government to

concentrate on development. It would not have achieved the results that it had produced if we did not instil in the minds of our officers and leaders at all levels the urgency of implementing the development projects, the desirability of working as a team, thus producing the results that the people desired.

This is the mosaic of development; there must be sensible leadership, sensible planning and implementation and sound political stability. Unless we have all these, no free nation would put their trust in us, invest in our enterprise, give both technical aid to our Development Programme.

Conversely, sound development planning, dynamic development implementation and tangible development results on the ground with the continuous increase in the standard of living of the people are the greatest antidotes to Communist subversion, and attempted domination by aggressors from outside.

It may be said that the greatest safeguard of our country's sovereignty is not only Defence but, even more so, Development.

Ladies and Gentlemen, of the three-fold process of National Development Planning, implementation and evaluation, I would say that implementation is perhaps the most difficult of the three and requires extremely clear definition of action if Development Plans are, in fact to be translated from paper to projects producing tangible results, both on the ground and in raising the standard of living of our people.

The technique of national economic development planning is now well advanced throughout the world and it is fairly easy for any developing nation to have a plan prepared, but the technique of implementation and putting some push and punch into the translation of that plan from paper into factual results is a technique for which there is little international knowledge available at the present time from which developing countries can learn and apply.

That is why, this Seminar which we have here today is of such great importance as it provides all of us, you and us, the opportunity of discussing and considering techniques of development which we could adopt for the benefit of our respective countries.

As there is no international knowledge available on technique, we in Malaysia have evolved our own technique of Development

Plan implementation—a technique, which, I am pleased to say with humility, provided results in development which we are extremely pleased with. We will, of course, be happy to hear views and criticisms on the technique which we have evolved and also we will be happy to learn techniques which some other countries have evolved so that by this exchange of views, we could all improve on the techniques of development implementation which we can adopt for our future Development Plans.

Ladies and Gentlemen, the first consideration in evolving a technique of implementing a Five-Year Plan is the time factor. In five years there are 1,825 days, but, if you deduct all non-working days such as Sundays, half Saturdays, public and religious holidays, and all those days given up to average leave, sickness, bad weather, flooding, break-downs, etc., then a Five-Year Plan does not give one a full five years in which to implement development, one really has only 1,000 full working days.

I am reminded of the Chinese proverb which says "An inch of time cannot be bought with an inch of gold".

Time is the most valuable and important commodity in the implementation of the Five-Year Plan, equally as important as funds. If there is a short-fall in development spending in any one year of the Development Plan, funds can be revoted through Parliament the following year, but no Government in the world can revote a short-fall on waste of time; once time is lost, it is lost for ever. It was necessary, therefore, to evolve a system of Development implementation that would make the maximum use of time and talent available.

Secondly, it is necessary for us to establish a machinery of Government that would not only make the maximum use of time and talents available, but will be free from deterrent factors which tend to delay development. Let us first go back and analyse the change which had taken place as a country moved from dependence to independent status. Any Government run under a colonial system tends to be merely custodian and carry out nothing but basic minimum administration with no sense of urgency and no dedication to development and progress for the sake of the Nation. In Malaysia, because the Civil Service after independence was the same Civil Service which had served during the days of colonial dependence, the first thing which had to be done evolving a technique of development implementation was to bring about a

change of attitude in the hearts and minds of every Government employee; to instil a sense of urgency, a sense of dedication to development, a spirit of initiative and feeling of belonging not to an impersonal, bloodless, lifeless administrative Government machine, but rather a feeling of belonging to a vital, lively and loyal group of human beings, dedicated not merely to their monthly pay packets, but rather to the development and service of their country.

The first necessary step, therefore, to implement development was to bring about a change of attitude throughout the whole of Government service and, I am glad to say that in Malaysia in the course of the last five years a new spirit and a new life have permeated throughout the entire Government structure, and the last vestiges of our colonial heritage are fast disappearing. Of course, the process of changes must continue and there is still room for further improvement.

The other main deterrent factors which tend to delay development are what I call the "Deadly Sins of Bureaucracy", such as inter-departmental jealously in the execution of Government functions; conflicting departmental policies; lack of co-ordination between departments in carrying out national policies; lack of day-to-day co-operation between Government officers on the ground mainly due to lack of understanding of each other's task and responsibilities. Many a time each department head thinks that his own function is the most important without appreciating the importance of others. Lack of appropriate planning and lack of a Master Plan at all levels for the purpose of achieving maximum result. And lastly, lack of sufficient directive control at the top to ensure that Government at all levels functions as an efficient machine manned by a purposeful, single-minded team and driven towards one goal, i.e. of National Development.

These factors or "Deadly Sins" tended in the past to decrease the efficiency of Government and hampered development. Therefore in carrying out National Development, the first essential is to set up a machinery of Government which will eradicate such defects.

As I said earlier, the preparation of a Master Plan in the form of a Five-Year Development Plan is a fairly straightforward task, particularly when it is made by such distinguished economists, and its preparation further backstopped with the help and advice of an international organisation such as the World Bank. At this

point I would like to say publicly how much we in Malaysia appreciate the valuable assistance which this international organisation gives us from time to time and the tremendous interest which the World Bank has taken in Malaysian Development.

I have heard it said that we should not use the Bank and some people have the wrong impression that we make use of its technical and professional skills, because we have not sufficient economists of our own to carry out our economic planning and that we are completely dependent on the World Bank for technical and economic skill. This is not true! We have a first-class Economic Planning Unit of our own which recently prepared the First Malaysian Development Plan and we work closely in conjunction with the World Bank because the World Bank is, in fact, an association of nations. It is, so to speak, an Economic Club of which Malaysia is an equal member and pays its yearly subscription, and I am sure you will agree with me that when one joins any kind of Club, and pays one's subscription, it is only correct that one makes use of whatever facilities the Club offers.

However, having got our Plan, the next stage was to develop a technique for implementation and a system which will help to eradicate the deadly sins of bureaucracy which I mentioned earlier; a system by which to obtain the maximum co-operation and co-ordination, not only between the Departments concerned with development, but also between State Governments in their relationship to the Central Government and vice versa. I, therefore, set up Development Planning Teams at the three main levels of Federal, State and District. I continue from time to time to give directives to these Teams as to how to set about their business of Development Plan implementation.

The directive I give to Government officers concerned with development, is that our people—the public—look upon Government as one comprehensive whole. They are not concerned with which Government Department does what; neither are they concerned as to whether the development projects are State or Federal Government responsibility; all that the public want are results—and quick results.

I am glad to say that over the last five years there has been a tremendous improvement in inter-departmental and inter-Governmental co-operation and co-ordination in development. My favourite dictum to these Development Teams is "It does not

matter who you are: it does not matter what you are: it does not matter where you are: it does not matter how senior or junior you are: it is the progress on Development Projects that matters and that all of you must sacrifice both your personal and departmental pride to co-operate and co-ordinate to get quick results on the ground!"

Each of these Development Teams, throughout the country, is backstopped by a Development Operations Room of which we have now no less than 114; and in which projects at District, State and Federal level are charted, located on maps, and progress on the implementation of each project is reported each month.

There is one thing I would like to say about these Operations Rooms. Many visitors on first impression get the idea that they are information show rooms. Although they have a lot of information on development in the form of maps and charts, they can more suitably be described as a "development surgery". As I told one visitor the other day, the object of these Development Operations Rooms is for me, as Minister of National and Rural Development, to be able to keep my finger on the pulse of Development progress.

I have directed that apart from the regular routine form of meetings, which Development Teams attend, departmental officers should get together at least once a week and instead of writing tedious minutes on files to each other, they settle their departmental differences together, in a co-ordinated way, in front of the maps in their Operations Rooms.

With regard to actual briefings on Development progress, which are given to me regularly by heads of Departments at both States and Federal level, they have a treble advantage. Firstly, they allow us to be kept fully informed of progress and be in a position to pin-point and eradicate delays in projects. Secondly, at the same time these "briefings" help continually to ensure that Heads of Departments are on top of their job and because they never know what questions they will be asked during the briefing, they have to get down to serious "pre-briefing" in order to fully acquaint themselves with an up-to-date knowledge of the progress of their Development Projects.

Thirdly, these briefings help towards a higher standard of co-ordination because each head of Department has to listen to the briefing given by his colleague from another Department and,

therefore, they all learn about each other's work and can see clearly whether their tasks fit into the "mosaic" of development implementation.

Although the prospects for our economic progress appear to be bright, I hasten to add that the path of development is by no means easy. There are many problems ahead—problems which are very complex and difficult and may even prove to be crucial to the success of our nation-building. We cannot, therefore, be complacent over what we have achieved, but should strive harder so that our goals for a higher standard of living and a better society for all our people may be attained.

It would be comforting to think that the progress achieved in the field of national economic development in this country would ensure us an automatic steady expansion. Unfortunately this conclusion cannot be drawn nor should the achievement so far be taken for granted. Our economic base is still very narrowly dependent on a few export commodities which remain extremely vulnerable to price decline and fluctuations in international markets. The rapid growth of our population implies that there are many more new mouths to feed, people to clothe and houses and new job opportunities have to be created for their employment. On the top of these, although confrontation by our neighbour has ended and peace has returned to our shores, our expenditure on Defence and security continues to rise because of the threat to the security of our country inspired and supported, of course, from outside by means of internal Communist subversion. Therefore, our internal and external financial position will be subject to strain in the next few years because of the continuing increase of expenditure while revenue is lagging behind.

In the light of these considerations, we have carefully prepared our Development Programmes from both the top and below in a manner giving concrete expression and due account to the wishes and aspirations of our people through a process of consultations at various levels. We have to ensure that there is full participation by the people themselves not only in the planning, but also in the process of implementation. The broad objectives of our Development Programme are not merely to generate economic growth but also to ensure that everyone of our citizens, of whatever racial origin, will have a proper place in our country and have a standard of living compatible with a modern society.

Because of the composition of our population, we have the most difficult problems in our national development, and that is, how to bring together peoples of various races, customs and religious faiths so that they may share common development objects. However, we are fully convinced that with a political leadership which is fair to all and with understanding, tolerance, mutual respect and co-operation, we can succeed and succeed we must as a nation.

Our goals are to provide enlarged and equal opportunities for all. Our framework is democratic action with the Government giving the lead and a helping hand in the process of modernisation. What kind of transformation do we want to see in the lives of our people? We want them and their sons to have lively, inquiring, individual minds, each man using his own intelligence and energies to improve his lot. We don't want to place them into a rigid mould of centrally planned economic development. We want them to live their own individual lives as part of the progress of betterment with human dignity and free from the state of regimentation, fear and suspicion.

In order to achieve these goals, our National Development Programme has been implemented by phases. In the first phase, the Government shouldered rsponsibilities such as road-building, the provision of schools, health centres and water supplies, electricity and rural credit and material subsidies. By thus giving the people visible evidence that we are earnestly working to improve their standard of living, to provide them with the amenities of life, we create confidence and enlist the support of the farmers and rural dwellers. Our second phase is to encourage the people to carry out their own responsibilities in improving their standard of living.

The main object at this stage of our "Gerakan Maju" or "Operation Progress" is to make the people self-reliant, to promote initiative and enterprise so that they can exert their own efforts in improving their well-being. We must realise, I am sure you all do, that a country cannot remain strong and prosperous without hard-work, sweat and some sacrifice.

We are determined to translate our national objectives and people's aspirations into realities. We are determined to make our Plan succeed in achieving results and for this reason our Development Programmes must be implemented with public support at

the national levels as well as in every town, village and kampong. There is no magic short-cut to success in our National Development but I am confident that with mutual trust and co-operation, goodwill and hard-work and determination on the part of all of us, both Governments and the people, Malaysia will continue to develop from strength to strength in order that our people will have a proper and rightful place in our country.

DEMOCRACY AT WORK IN MALAYSIA

HOW WE HAVE ACHIEVED NATIONAL UNITY

Democracy and Development in South East Asia was the subject of a Seminar held at the Faculty of Medicine, University of Malaya on 21st February, 1966. In declaring open this seminar, Tun Abdul Razak made several interesting observations which are reproduced here. Delegates from India, Thailand, the Philippines, Taiwan, Vietnam, Singapore and Australia were present.

We are all now at the crucial cross-roads of history but the choice between freedom and progress in all its aspects and totalitarian rule under which the people's hopes and aspirations for a happier, healthier and richer life are blunted in the midst of ignorance, poverty and disease.

Geographically South East Asia's strategic importance has long been recognised by all the great powers of the world. Because of this, peace and prosperity, security and stability of this region are of paramount consideration not only to all of us here but internationally in preserving democracy.

Never has militant Communist inroad in the name of equality, freedom and nationalism threatened with its open aggression, infiltration and subversion in certain countries of South East Asia the orderly development and progress of those countries.

With Communist China's emergence as a great military power a threat is posed not only to us in this region but to other parts of the world as well. So far pro-Peking forces are only active in

Vietnam and Laos but knowing the nature of militant Communist expansion we can expect further aggression to take place.

In this connection we have no time for philosophical resignation nor do we have any respect for the attitude of despair shown by some countries. Our role must be to dispel unwanted pessimism and to reaffirm by our policy that democracy can provide a better way of solving the social and economic problems of this region than militant and aggressive Communism can ever hope to do.

This Seminar signifies democracy in that so many of us from different friendly countries can come together and talk freely and frankly the way we wish our country to be governed and developed for the benefit of our people.

It is our view that the two greatest antidotes to counteract the poison of militant Communist penetration and subversion, is the practice of democracy and the implementation of a sound national development plan. In the practice of democracy it may not be possible, particularly, in a developing country like ours to move ahead so fast and achieve a standard of democratic practice as it has been attained in a more highly developed country in the free world because many of these countries have been practising democracy for centuries and the techniques that they have acquired were only attained after years and years of trial, error and experience. Therefore it is sometimes necessary for the practice of democracy to be modified from time to time, from country to country, in order to suit different national needs in different national transitional periods.

Assuming that the ultimate aim to be achieved in the practice of democracy is the principle that the people of our countries, the citizens and voters of a free democratic nation are the exclusive source of political authority and their consent is the foundation of the power of Government then I think that this basic principle of democracy is the one thing which will ensure the peace, prosperity and sensible leadership of the entire world.

For example, although I am myself, a democratically elected leader I find that the most sobering influence of the actions of a political leader is the fact that once every so many years on returning to the voters for a new mandate in order to continue governing the country the best record of leadership and purpose must be held up to the judgement of all citizens eligible to vote.

Therefore in democratic practice all political leaders who offer their services to the nation for another term of office have got to hold their breath while the people themselves decide. This breath holding is itself a good antidote to reckless dictatorship and misguided political leadership.

I would like to say that the launching of democratic way of life after the ending of colonial rule in Malaya and later Malaysia was perhaps more difficult because there were circumstances which apply particularly to Malaysia and perhaps do not exist in many other countries. These circumstances were two-fold. First, we had to build our democracy within a framework of a Federation of States like those of you in Australia know and our friends in America know even better. Government by federation can be cumbersome, can be frictional and can be frustrating unless and until it is maintained on a basis of maximum mutual understanding of its complement parts so that the parochial and local interests are made wherever necessary to become subservient to the higher interests of national benefit and national progress for the entire Federation as a whole.

The second circumstance which applies to Malaysia but does not apply necessarily to some other democratic nations which are lucky in that they comprise entirely of people of the same ethnic group, of the same language and of the same religion. But we here in Malaysia, in launching our democratic way of life immediately after independence, have to act and apply democratic principles almost three dimensional without at the same time lessening our national determination of development within a framework of a democratic way of life.

Not only did we have to learn methods of governing a Federation, we also had to learn the technique and skill of handling a mixed community and apply democracy with an electorate comprising Malays, Chinese, Indians and others and then blend this mixture into a mature nation, Malaysian in outlook, Malaysian in aim and attitude and back-stocked by a form of Federation so that we could forge forward in our democratic destiny.

Yet in spite of these circumstances I am happy to stand here today and say with modesty that both democracy and development in Malaysia have got off to a very good start. Perhaps the same principles which require to be learned for the successful working

of a democratic Federation such as Malaysia are the same principles which will guarantee stability, democratic devolpment and prosperity in South East Asia and these principles are based on the same determination to achieve the maximum mutual understanding, together with the ability to accentuate our similarities with the definite positive attempt to follow the areas of mutual agreement and the determination to minimise our differences.

What is required in my view to achieve this is a type of moderate and balanced leadership which will focus the attention of our people on the main ideal of mutual understanding and the major goals of development so that the greater aims of our destiny are forever foremost, and our petty differences appear trivial against the back-drop of the greater task to be achieved.

To us in Malaysia and I hope a similar realisation everywhere else the need is urgent and ever evident for people who cherish freedom and peace to give force and momentum in preaching and practising democracy that will gather fervour and faith and, if necessary, the will and determination to fight in its defence. In other words democracy must be regarded as an ideology to be taught and exemplified. Therefore in the common interest of all of us there is need for better unity among the people of this region and of Asia as a whole. The achievement of this unity is a challenge; a unity of practical co-operation for which we have the capacity and resources to build.

We cannot be isolated from one another and the peace and prosperity in our region is of concern to all of us not only in our interest but in the interest of the world in whose affairs we now have an increasingly important part to play. It was in the pursuit of this regional co-operation that our Prime Minister proposed the formation of the Association of South East Asia in 1961. Though ASA has suffered some initial setback it is hoped that its importance will be realised soon and that other countries friendly to us, dedicated to peace and progress would join the Association.

ASA has already proved itself a constructive ideal and the only practical idea that can benefit all the members in a wide sphere of co-operation and friendly relation. In ASA, we can claim to have made constructive efforts in regional co-operation.

Let us contribute to the stability of South East Asia through social and economic progress by carrying out policies of goodwill and co-operation.

It is now recognised that regional co-operation is one of the best means of economic progress as well as the best guarantee of political independence. There is need for every peace loving nation in South East Asia to work and co-operate with one another in their efforts for economic progress or for other purposes on the basis of mutual interest and for the future peace and well-being of our region. Malaysia's foreign policy is primarily directed to the strengthening of relationship with foreign countries and the neutralisation of forces hostile to us. All of us must feel that there is room for everyone and that we can live in peace with one another provided of course we respect one another's rights, provided too, we realise that we owe one another for the good and well-being, the progress and happiness based on the peace and security of this region.

As I said in Malaysia we have achieved national untiy of our multi-racial society through the practice of democratic institution in which our national policies are all geared to create a Malaysian consciousness and our action in the fields of economic development and social services is the reflection of our desire to preserve this institution for the happiness and well-being of our people. The successful working of democracy is due to tolerance and goodwill of our people of many racial origins living and working together in a healthy spirit of friendship and co-operation.

Ours in an age of extraordinary fluidity in South East Asia where our interest must be constantly assessed and re-defined to meet the desire of our people and in order that our free institution is safeguarded. There must be a continuous search for peace and happiness and a smug satisfaction with the existing state of affairs can only lead to difficulties and disaster. Apart from good leadership we must have the ability to govern the speed and nature of change taking piace around us. What is called a great social revolution is happening now but by revolution I do not mean the too familiar slogan chanting revolution which means hunger, chaos and disturbance.

A nation's greatness is not prompted by empty shouting. We in Malaysia are content only with a silent revolution and the success of our development programme is a living testimony to

the righteousness of the course through which we have steered our nation following independence.

In the field of development, most countries nowadays have the expert means to produce sound economic national development plans but plans in themselves are of no value unless they can be fully implemented and financed.

With regard to the implementation of Development we have in Malaysia tried to evolve our own technique of translating our Development Plan, from paper into action, in order to achieve results on the ground.

With regard to the financing of Development and the raising of funds to give the people of South-east Asia, both urban and rural, a better way of life, it seems to me a wanton waste of money to have to pour funds into tanks and training for military purposes directed at death, when they could be directed towards Development.

I am sure that all delegates of this Seminar, from our fellow freedom-loving nations of South-east Asia, will agree with me that in our mutual desire to see Democracy and Development thrive in this part of the world, we only ask the Communists to allow us one thing, and that is to leave us alone to run and develop our own countries.

If they do not agree with our democratic way of life, and our sincere desire for Development, they should at least have the courtesy to *co-exist* with us rather than ruining the peace and prosperity of the world with their aggressive ambitions.

I don't care about Socialism, Communism, neo-Colonialism or Capitalism. I give you what is the most important-ism not only in Malaysia but in South East Asia today. It is Alliance-ism. It is the unity of purpose of every clear-thinking citizen of this country. It is an example to the world of what real progress can be made. Development is our defence, discord is our danger. Give us your support—together we will secure the destiny of Malaysia!

— *Tun Razak speaking on National Development in April, 1960*

THE FIRST MALAYSIA PLAN

PUBLIC SERVICE URGED TO STRIVE FOR GREATER GOALS

Tun Abdul Razak outlined the main aspects of the First Malaysia Plan and the problems of development when he addressed the Permanent Secretaries and Secretaries to Ministries, State Secretaries, State Financial Secretaries, State Development Officers, and Heads of Federal Departments at Dewan Tunku Abdul Rahman on Thursday, 19th August, 1965.

The comprehensive First Malaysia Plan which is now being drafted is about to be finalised. This morning, I propose to discuss with you the tasks which lie in the years ahead in connection with the implementation of the Plan.

The good work carried out by you all in the execution of the existing development plans and the really magnificent manner in which you have responded to the call of public duty in producing results are deeply appreciated by the Government. Now that we are on the threshold of launching, in the next few months, a bold development plan for Malaysia for the period 1966-70, I consider it appropriate to meet you all again. I know that you will give the same high degree of co-operation, dedication to hard work and service required of every single Government officer to develop our country and meet the challenges and opportunities for the fulfilment of the aspirations of our people for higher levels of living.

In this connection you will also wish to know what possible impact the separation of Singapore from Malaysia will have on our Plan.

It is inevitable that necessary adjustments will be made to accommodate the changed situation resulting from Singapore's separation from Malaysia and resolve new problems arising therefrom. I am conscious of some anxiety over the separation of Singapore from Malaysia and of the effects it will have on the rest of the country politically and economically. You can be assured that the separation of Singapore was the result of mutual agreement between the Governments concerned. It was taken because it is considered to be the best solution possible under the circumstances. It was a sad parting but we should be comforted

by the fact that we parted as friends imbued with the desire to keep as close together as possible in matters of defence, economic development, trade and commerce—matters which are essential for the survival, progress and prosperity of both nations. We would promote close co-operation with Singapore for the mutual benefit of Malaysia and Singapore and in the national interests.

The separation might affect the natural and healthy development of both countries if close co-operation and harmonious relations are not maintained between us. It is our sincere hope that Singapore will respond positively to our gesture of goodwill and friendship and work for the good of our peoples.

We are deeply conscious of the difficult problems in the years ahead; problems arising from external aggression, sabotage and internal subversion mounted by Indonesia and Communist agents. These are compounded by the problems associated with the need to accelerate the rate of development of the country. Recognising these problems is not enough. We must tackle them imaginatively and not let them simmer or be concealed underneath.

We have made impressive economic progress in the past several years and the pressing development problems we face are not new to most developing countries of this region. Recognition of these problems and attempting to resolve them is more than half the battle won and we will go onward and upwards. What are our pressing problems? They are those arising from the rapid increase in the Malaysian population and labour force with consequent signs of growing unemployment and the increasing need to provide education, health, housing and other social services. On top of these there is the urgent requirement to improve the standards of living of our people particularly in those areas where living standards are low relative to the rest of the country: e.g. the Borneo States, the north and east coast of the Malayan mainland and some of the urban slum areas. Extensive programmes of rural development, land settlement, education and housing will be needed over the next five years to cope with these needs.

As these problems become more pressing, our prospects for further income growth are clouded by uncertainties in world markets for natural rubber and some other traditional export products although on present indications, natural rubber will continue to yield a reasonable return on investment and an adequate income to smallholders for the foreseeable future. This

problem points to the need to diversify our agriculture and to make progress in developing alternative sources of income and employment.

The Government, has recognised these problems and is making major efforts towards economic diversification and industrialisation. More will be done in these directions but the central problem as regards the First Malaysia Plan is the financial constraint upon the total level of public investment. We have the capacity to develop and administrative and technical capacity are no longer the main bottlenecks as they were during the early part of the decade. In the light of this financial constraint the Government is reviewing the investment target or size of the First Malaysia Plan which will be imaginative and bold but not excessively ambitious. A decision on the revised investment target will soon be announced.

The problems are not insurmountable though challenging and crucial. We are deeply committed to the people, particularly those in the rural areas and the States of Sabah and Sarawak and recognise a clear mandate to accelerate the pace of development. I would like to assure the people concerned that we shall do as much for them as possible and in fact much more than the present plans of the constituent States. At the same time, however, we will need their full cooperation in helping the Central Government to meet some of the problems involved and to mobilise the necessary men, money and material resources for development, defence and security.

There is scope for the States to increase their revenue and hence employment and income through large scale alienation of land to the private sector to reinforce the good work done by FLDA in land settlement. I am glad that the State Governments which have vast areas of suitable land for cultivation will proceed speedily with alienation of land in accordance with the recent decisions of the National Land Council.

Development and Defence are the two pillars to uplift our economy and safeguard our sovereignty. The assistance we are receiving to ensure peace and progress in this country from friendly countries in supplementing our own development and defence efforts is deeply appreciated. But external aid cannot be substituted for our own basic responsibility for economic development, defence and internal security.

These inter-related and indivisible tasks must essentially be carried out by us. The tasks ahead are therefore made that much and perhaps more difficult. Malaysians themselves must show their own initiative and redouble their efforts to help themselves, for "God helps only those who help themselves." If we are not prepared to make sacrifices for the good of the nation and work hard to overcome the problems confronting us, we shall have failed by our own default. Fortunately in the past two years since the establishment of Malaysia, we have been able to make remarkable progress and with public support I am sure we can overcome all difficulties.

The question is how should we meet the situation and tackle the problems of development? What are the essential actions that should be adopted in the years ahead in implementing our First Malaysia Plan? I shall suggest a few important requirements basic for efficient implementation of the Plan. Approach these problems calmly but firmly. Tackle them with a singleness of purpose tempered with perseverance and coolness rather than with recklessness and inconsistency. Remember that as a new and growing nation, we will continue to find ourselves in situations which often are difficult and where we simply will not have easy choices or ideal solutions. We, therefore, must not yield ourselves to frustration and disappointments over stresses and strains which are bound to arise. What is important is that we must consolidate our position, strengthen our unity and dedicate ourselves to the job of nation-building. Let not our difficulties or problems deter our determination to accelerate the economic and social development of Malaysia.

The major emphasis in the First Malaysia Plan will be given to agriculture, rural and industrial development, health and education. Malaysia's marketing system will become more effective with the operation of the Federal Agricultural Marketing Authority whose principal objective is to ensure fair and reliable returns for farmers' produce.

The credit needs of our farmers and indigenous people will be met through a re-vitalised co-operative movement and the establishment of Bank Bumiputra, while extension services and the provision of agricultural inputs such as fertilisers, better seeds and pesticides will be stepped up concurrently with provision of essential infrastructure facilities—roads, transport and communications, power, schools, housing, etc. Rural, industrial and urban

development will receive a greater impetus through the activities of MARA, FLDA and FIDA. These constitute concrete evidence of Government's efforts at modernisation of our society throughout Malaysia.

Government's finances will be severely limited during the next five years but the needs of our people for increased employment and higher levels of income are great. For this reason, first priority under the First Malaysia Plan has been given to projects which directly increase productivity and incomes and those which create new jobs. Projects which merely provide social amenities and do little to raise incomes or employment in the long run have had to take a second place in the Plan. Only by rigidly limiting ourselves to productive projects can we best serve the long-term interests of all Malaysia's people.

When Government development efforts are tending to expand with the launching of the First Malaysia Plan under conditions of financial stringency, we should take all possible care in preparing and implementing our programme. In this connection, I would suggest what appear to be some of the essential steps for action. First, there should be advanced planning of projects with proper estimate of costs. I suspect that constant revision of costs exceeding the approved provision in the Development Estimates is the result of inadequate planning and also partly reflects the desire to have elaborate frills and fittings designed to suit the aesthetic value of architects or consultants. This seems to indicate that much more careful and advance planning is required.

We must have in our portfolio sufficient projects, properly studied and planned in advance to qualify for foreign aid. Failure on the part of Departments to produce a sufficient number of planned projects suitable for foreign financing might jeopardise the chances of getting funds for their implementation. I have asked the EPU in consultation with the Treasury, Bank Negara and Ministries and State Governments concerned to press on with the preparation of such projects and explore all possible avenues of foreign assistance.

I would hasten to emphasise that advance planning need not necessarily imply rigid planning. Very often the Plan must be modified or adjusted because of changes in circumstances and conditions since it is impossible to foresee all contingencies. To

meet these circumstances, a Contingency Development Vote will be created to be jointly controlled by me and my colleague, the Minister of Finance, for allocation which can only be granted on full justification.

Secondly, the Economy Drive Committee, which has already been established, will help to ensure that we get the best value for every dollar spent on development and recurrent expenditure. I am advised that there is scope for minimising expenditure by reviewing present establishments and exercising stringent economy in expenditure by Federal Ministries and Departments.

Thirdly, steps will be taken early next year to designate a group of "expeditors" who will not only assist co-ordination and expedite action on projects on the ground but also evaluate the results and progress made. The administrative machinery will be strengthened and further streamlined to achieve the necessary co-ordination, speed of action and full utilisation of completed projects.

In this connection I would like to see greater delegation of authority in the discharge of responsibilities. Detailed and excessive minuting upwards, downwards and even sidewards should be minimised. A relatively high degree of discretion should be given to individual officers to carry out their planning and implementation of programmes.

It is important to increase efficiency and improve the services to the public. Officers are aware and conscious of this need and I am glad that they adopt a human approach to all problems with a spirit of service and leadership. Without these even the best trained officer and the best prepared plan or programme will fail to evoke public response and participation.

Development planning, let it not be forgotten, is not an end itself. It is essentially a means to an end—which is to promote a higher standard of living and a happier and more prosperous society. This end can be achieved only if those entrusted with the task of plan implementation undertake this work in a spirit of public service and conduct themselves in a manner which inspires peoples' confidence and co-operation.

It is gratifying to note that our public service is one of the best in the developing countries in the region but there is room still for improvement—any country which is satisfied with the *status quo* will eventually lag behind. One cannot be complacent with the achievement thus far attained but must strive for greater goals

and greater achievements in the years ahead. For this reason the Government has invited a two-man team of public administration experts provided by the Ford Foundation to make recommendations for increasing efficiency and performance in the development administration of this country.

Malaysia is one of the few countries in Asia which is committed to the basic political form of parlimentary democracy. And a democratic system of government dictates that we must inspire popular public participation in the important task of development and meet the aspirations of the people for a better standard of living. This is the surest means of warranting the country's democratic future.

THE RED BOOK AND ITS AIM

PARTNERSHIP BETWEEN THE GOVERNMENT AND THE RURAL PEOPLE

The hopes and the needs of the people, especially those in the remote kampongs and villages are forever near to the heart of the Alliance Government. This assurance was given by Tun Abdul Razak when he addressed members of the Debating Union of the University of Malaya on 20th July, 1965.

We can rightly be proud of what, as a new and young nation, we have achieved in the years since independence. All of you will remember the period before independence when critics and doubters said that we were not yet ready to govern ourselves and that independence would probably be the beginning of the end of prosperity and stability in Malaysia. Men are born to succeed not to fail.

Merdeka to all of us has meant the beginning of the beginning of bigger and better days, the foundation and furthering of our stability and security within our shores; steady progress towards a better way of life in both the rural and the urban areas. All these things have amazed and brought praise from every other free nation in the world today. The countless visitors to our country have been warm in their appreciation and admiration of what we have achieved in the years since independence.

In Malaya our Second Five Year Development Plan has been implemented with complete success. Indeed when we launched this Plan in 1961, most people then thought that the target as

set for ourselves, that is $2,100 million expenditure on the public sector was too great to be implemented. However we were able to gear the machinery of Government and co-ordinate the work of Government departments and offices in all its branches.

Today even before our fifth year of the plan comes to an end we have already exceeded our target. At the end of this year, that is the last year of the Plan, we shall have spent in the region of $2,600 million or $2,700 million. It is clear that in implementing our development programme, the Alliance Government has successfully applied the right principles and followed the right methods. We have now applied these principles and methods to Sabah and Sarawak and it is hoped that in the next few years our people in Sabah and Sarawak will be able to obtain the same benefits from development as our people in Malaya.

Now what are these principles which we apply in the implementing of our national development, particularly our rural development programme? The foundation for positive action was based on the principle of partnership between the Government and the rural people themselves. If you look at the map of Malaya and on it compare the distance separating the Federal Capital from the remote villages and kampongs in our rural areas, we remember that many kampongs are far away and that a journey to them by road, by rail or by river would take many, many hours. However, in keeping with the tempo of modern travel the Alliance Government made it possible to make a journey into the heart and soul of the development needs of any kampong in record time; this journery takes less than one minute: it is a mental journey made possible by the use of "Red Book".

The Red Book was conceived, designed and put into practice by the Alliance Government for the purpose of ensuring that, no matter how far away any kampong or village may be, nevertheless the hopes and needs of its people are forever near to the heart of Government. Similarly, let us look at a map of Malaysia and I feel with confidence, in the future, that what the Government had already done in Malaya, not only can they do in the development of Malaysia but can do so even better, from the experience in practice which we have already gained.

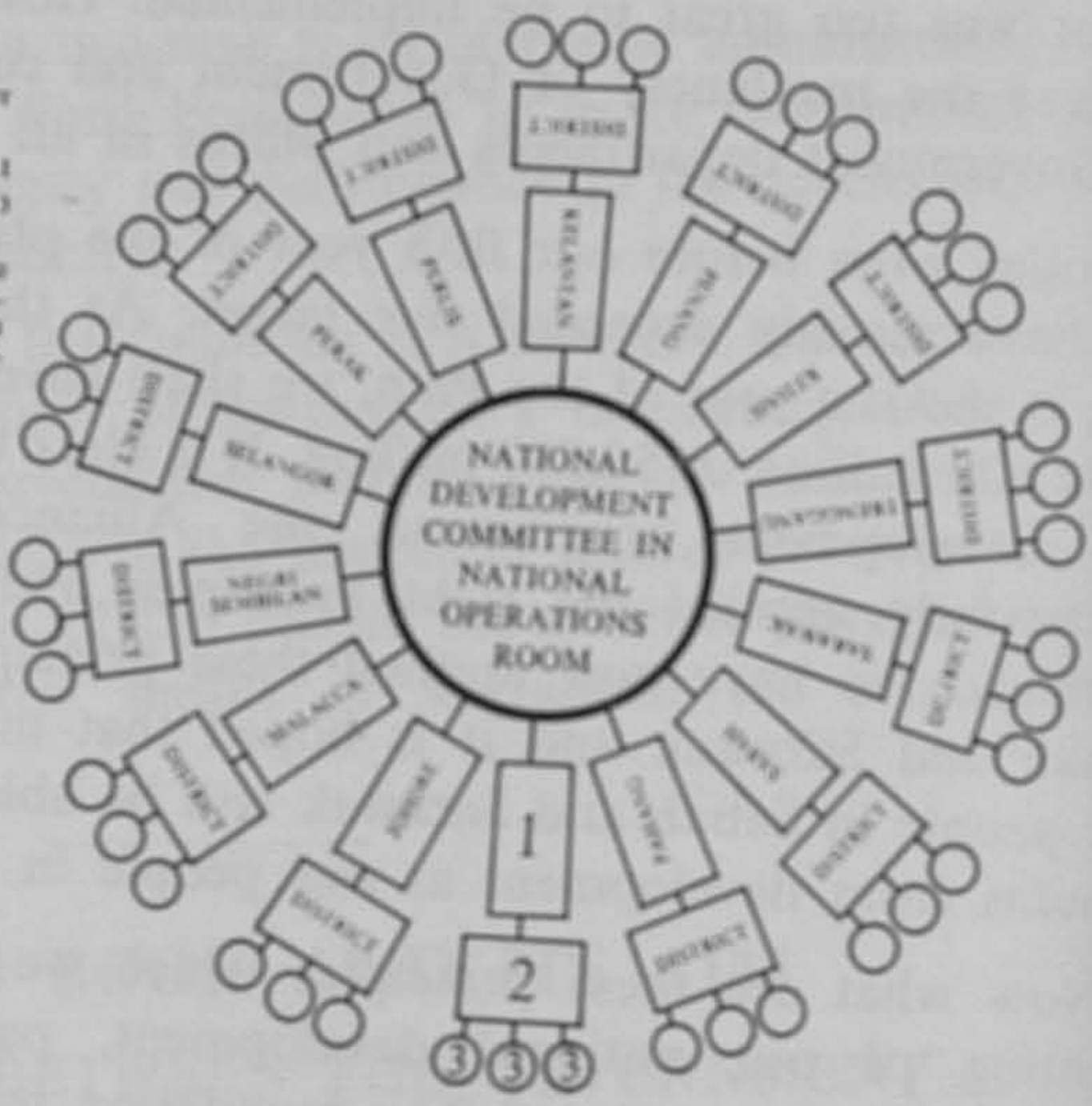
On the economic aspect of our development I feel we must be cautious in accepting theories and practices which apply in other countries, and although our main aim is better growth and better prosperity, let us remember that prosperity in both the rural and

THE OPERATIONS ROOM

Operations Rooms and Development Teams at six Levels!		
National Operations Room	...	1
State* Operations Rooms	...	13
District / Sub / District Operations Rooms	...	100
Total	...	114

Note:

1. Village Development Committees have a small Development Operations Map in their Community Centres!



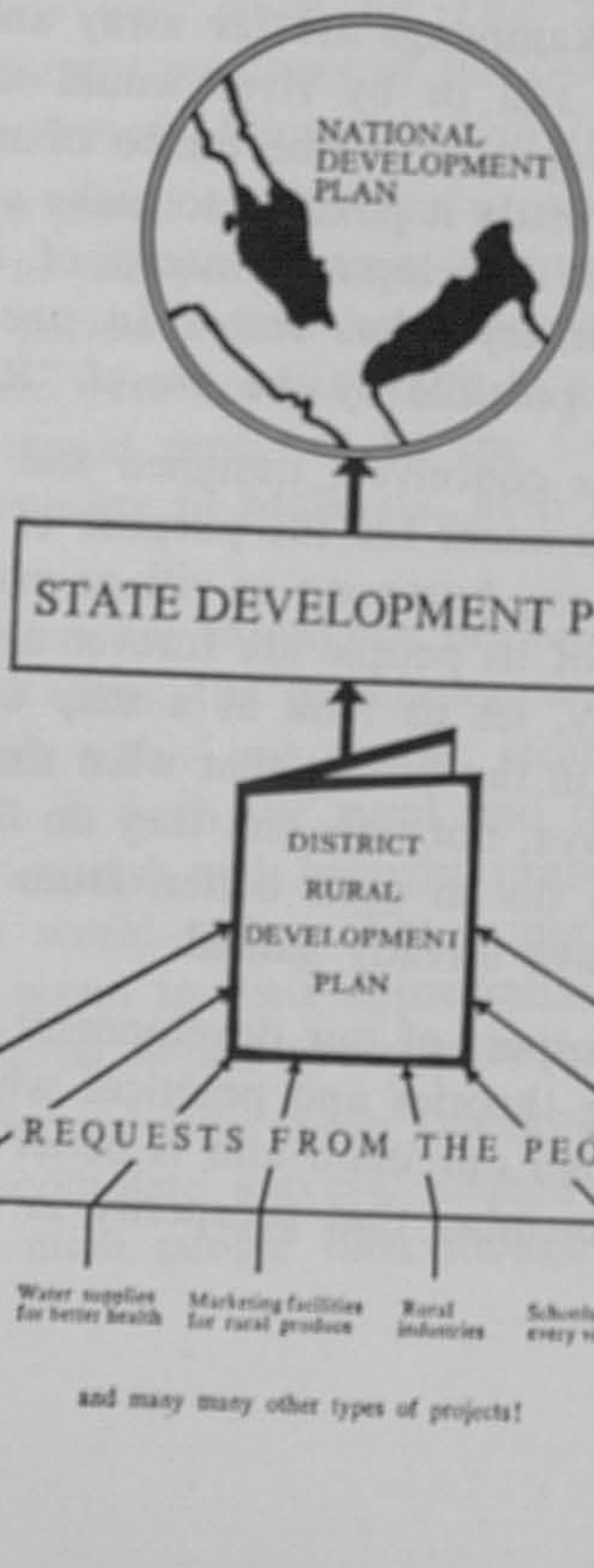
KEY

1 State Development Committee in State Development Operations Room.

2 District Development Committee in District Development Operations Room.

③③③ Village Development Committee.

RED BOOK PLANS



and many many other types of projects!

urban areas should not always be judged by the same material gains which are the yardstick of progress in the more advanced nations of the world. Economic growth is a necessary goal for Malaysia, but it must not be considered to outweigh all others, nor should it be assumed that every action that increases wealth is necessarily right. The increase of wealth, the raising of our overall standard of living, is an essential factor in our economic development. But such economic development will only be satisfactory if it acts to preserve the meaning of life, not destroy it.

So, therefore, our development should have a focus not entirely on material gain, but a focus also on the human, social, cultural and religious aspects of our lives, so that we can build up a Malaysia which is not only economically stable, but which is also a nation of people who are happy within themselves, self reliant, and secure within their own sincerity of purpose.

Our objective is to level up, that is to help the less fortunate of our people to enjoy better amenities of life, indeed to get full benefits in all that a civilised society can give.

As has often been stated, the emphasis in that programme has been to help the less fortunate of our people or what are commonly known as "have-nots". Our rural development programme is planned and implemented with zeal and enthusiasm. One important aspect of our rural development plan is land development. We have now throughout the country sixty-two land schemes of 4,000 acres each and each scheme land is alienated, jungle trees felled, roads built, water supply laid on, houses built for settlers and each family is alienated with 10 acres of land of which seven acres are planted with either high yielding rubber or oil palm and the rest is utilised for residential purpose as well as for the planting of fruits and vegetables. A monthly subsidy is given to each family by Government on loan. Amenities such as schools and health clinics are also provided. On each lot it is estimated that a family will earn a basic income of about $350 per month at a fairly conservative estimate of price of rubber or oil palm.

A few of these schemes have now produced income. As and when the land produces income a settler is expected to pay the Government loan by easy instalments. In one instance, where Government has asked the settlers to pay about $40 a month, the settlers themselves volunteered to pay double that amount because they are earning such a good income. The settlers are given permanent titles to their land.

In addition to the sixty land schemes I have mentioned we propose to start our biggest land scheme in the centre of Pahang which is known as "Jengka Triangle", and here it is hoped to develop about 200,000 acres of land to be given to our people who need land in the same way as our other land schemes.

Now what can be more socialistic than these land development schemes of ours. In the communist countries people are made to work on the land. Our emphasis will be, on the one hand, to help the rural people to increase their income and to give them greater share in the economic and business life of the country, and on the other, to build houses for people in the urban areas, who are without homes. We will also assist the less fortunate of our people in the urban areas with amenities in the same way we are doing for the rural people. In this way, as I have always stated, our national development plan is national in scope and character, designed to help our people of all races, whoever they may be so that the "have-nots" in our society will have a share in the progress and development of our country and will enjoy a standard of living compatible with life in a decent and civilised society.

In my view the great thing we must remember in development and the future problem of Malaysia is that there is also a law which we can apply, a law which has not been drafted or made by mankind, it is a law of nature of what we can call the law of cause and effect. The law of cause and effect is roughly this—in the world nothing really happens automatically, even crops do not grow automatically; if a farmer wants to grow a crop he has got to clear the land, sow the seed and work hard in tending the crop, to get results. So it is with development.

Just talking about development, just making development plans, just hoping for development will never in fact result in development. To achieve development, to achieve economic growth, to achieve a happy and highly developed Malaysia, means hard work, harnessing of all our energies and the ability and the ability of our leaders to convert emotion and plans into motion and action towards sound economic development of a happy and stable Malaysia.

Now coming to the subject of defence. As a small developing nation quite obviously we are in no position to have armed forces, that is Army, Navy and Air Force, of sufficient strength to defend ourselves adequately against external threat or aggression. That is why since independence in 1957 we decided to

maintain our defence expenditure at a low level so that we could devote our resources to economic development, to give the people a better and higher standard of living and better amenities of life they have wanted for so long. Until the establishment of Malaysia in 1963 our defence expenditure was only eight per cent of our total budget. However with the establishment of Malaysia, with a bigger territory to defend and a longer coastline to protect, we have to increase our defence forces.

The establishment of Malaysia brought with it confrontation by Indonesia and we had to expand our armed forces further. With the result that in the last two years our expenditure on defence and security had more than doubled and it will continue to increase. It is, I must say, regrettable that for a developing country like ours where so much can be done in the field of economic development, we have to divert certain of our resources to defence and security. However, if we value our independence and integrity, our freedom and our way of life, then we must take appropriate measures to defend ourselves.

I repeat, as a small nation we have no means to defend ourselves adequately against external threat or aggression, particularly against a bigger and stronger neighbour, such as Indonesia. Therefore, on the day we achieved independence in 1957 we signed a Defence Treaty with the United Kingdom and the United Kingdom supported by Australia and New Zealand undertook to defend us against external aggression. This Treaty was entered into by us voluntarily and freely and it could be reviewed at any time. With the present confrontation, of course we are grateful to our friends, Britain, Australia and New Zealand for assisting us not only in the expansion of our armed forces, but also with men, ships and planes to help defend our territorial integrity. This defence arrangement can only be temporary and the time must come when we have to provide for the defence of our country and ourselves.

Our Constitution has been so drafted so as to make Malaysia a meaningful and purposeful concept within the needs of our people of all races, in order to make them all happy and contented. The whole concept in our Constitution is based on the idea of "give" rather than "take". To give to those who have not without taking from those who have.

Many of you must have heard lately of allegations against the Alliance Government, that we believe in the supremacy of one

race over the other and that we have not provided for equal rights to all our citizens. I would like to rebutt these allegations because clearly our Constitution does not provide the supremacy of any single race or community. All Malaysians of all races are equal under the Constitution and their rights and privileges are zealously guarded.

The Constitution, however, provides for the safeguard of the special position of the natives. This does not mean supremacy or privilege but rather a special position which requires special attention. The Constitution recognises that where there is disparity, a system of parity is provided in order to make everybody happy. It is known to everybody that the natives are economically backward and therefore in order to give them a fair chance to compete with other races they are given this special attention in the Constitution or in plain language a handicap. This handicap gives the natives a chance to have a share in the economic and business life of the country.

As I said, by giving this special attention to this particular section of our community, the Constitution will not take away the rights and privileges of others and this arrangement serves to unite and promote solidarity between the natives and the other Malaysians.

Therefore, Ladies and Gentlemen, it is clear under our Constitution which the Alliance Government formulated and which it has repeatedly pledged to uphold there is a fair place for every Malaysian in our country. The Constitution is so formulated as to be fair and just to all sections of our people so that they can move forward together in harmony, goodwill and friendship.

The Alliance Government has always believed in the unity and harmony among our people of various races so that ultimately they can be welded together into one united nation. Of course the process of bringing this unity may take time because only a small section of our people, i.e., those who were educated in English schools are able to know and understand each other. The great majority of the people have lived under colonial rule in separate communities and therefore we have to give them time to understand each other, to feel that they are friends and brothers.

But the ultimate objective is clear. It is the firm intention of the Alliance Government whatever others may say, to move forward bringing our people of various races together in harmony

and friendship. Ultimately they will regard themselves not as members of different communities but as members of one nation. We have said this is the cardinal principle of our policy many, many a time and it does seem hardly worth repeating but there are some people who for reasons of their own refuse to understand what we said. Therefore it is necessary for us to continue repeating this important policy of our Government.

I have no doubt that the majority of our people have a deep sense of loyalty to our country and know that they must live together in harmony, friendship and unity because on this alone can we look forward to the future with real hope and confidence.

A THREE-WORD FORMULA

THE TASKS AND PROBLEMS FACING HEADS OF DEPARTMENTS

Careful preparation of the First Malaysia Plan, efficient and proper implementation of the Plan and constant evaluation of the programmes under the Plan constitute the formula offered by Tun Abdul Razak for all development officers when he addressed the Federal and the State Heads of Departments at Dewan Tunku Abdul Rahman on 4th June, 1964. Parts of his speech follow.

The purpose of this meeting, as you know, is to provide an opportunity for us here in the Central Government and, in particular, the National Development Planning Committee and myself, to explain to you all the tasks which lie before you in the preparation and execution of the first Malaysia Development Plan.

I recall that it was in this hall in February, 1961, that I held a similar meeting of Federal and State Heads of Departments to launch the Second Five-Year Plan. At that meeting, I urged all Government officials at all levels to do their utmost in the implementation of our Second Five-Year Development Plan. I

said then that if we were to achieve the maximum success in the implementation of our Plan, then the greatest efforts of co-operation, co-ordination and solid hardwork would be required by every single Government officer concerned from the highest to the lowest level.

I also called on all those present to light the flame of determination and enthusiasm in the minds of all officers and to keep that flame burning throughout the period of the implementation of our Development Plan.

I am pleased to say today that officers at all levels have responded to the call and to the challenge magnificently. The tremendous progress in the implementation of our Plan in the last three and a half years is a splendid testimony. I would, therefore, like on behalf of the Prime Minister, my Ministerial colleagues, and the people of the country as a whole, to thank all Governments servants for their devotion to duty and for the services they have rendered to our country and our people. In the last seven years since we achieved independence, our young nation has been moving forward steadily and progressively towards the attainment of the aims we set ourselves on the day we achieved independence. Merdeka has now meant to all of us the beginning of bigger and better things . . . .

During the next five years, our efforts to develop Malaysia will be most crucial. Malaysia is a new nation comprising States with different levels and stages of development. Some States like Sabah and Sarawak are relatively under-developed with acute shortage of labour and skilled personnel for local management and administration. On the other hand, the States of Malaya and Singapore are fairly advanced in terms of economic and social development. The different stages of development in different States obviously pose major problems of balancing needs with the best economic allocation of resources. These problems are compounded by the political necessity to develop as rapidly as possible those relatively under-developed States to meet the rising expectations of the people for a higher standard of living.

What is more Malaysia, being a Federation is, therefore, planning within the structure of a Federation and this structure demands solutions of complex Federal/State inter-relationship. There should be widespread participation at all levels in the preparation of the Plan to embrace the Centre, the States, the Districts and Mukims and Local Council areas. There should also be close co-operation and co-ordination between the Centre and the States and complete harmonisation of various diverse Federal/State, public and private interests so that when the final blue-print is produced, it will stand the test of future events without repudiation.

It must be remembered that the ordinary people in the villages and the long-houses would not know what are the responsibilities of the Federal Government and where the responsibilities of the State Government lie. They only know there is one Government. Both Federal and State Governments are equally responsible for the people and there must be co-ordination between the Federal and State Governments in the function of responsibilities so that the whole governmental machinery can work as one, and can serve the people to their satisfaction.

I realise only too well that with the formation of Malaysia, we have to face many new and added problems. While we have to set about with our Development Plan and implement it, we have at the same time to adjust our national administration into a unified whole. This means a lot of work and a lot of extra energy. Also, we have to reply to Soekarno's confrontation in defending our borders from active aggression and securing our country from active subversion from within. However, I am pleased to see that our officers, not only in the old Federation, but also in Sabah, Sarawak and Singapore, are attacking these tasks and problems with added determination and added energy. With an optimistic approach we shall win through successfully. Therefore, in facing these tasks and problems, the energies of all officers must be directed unanimously and unitedly towards the achievements of our aims and they must not be frittered away by petty jealousies within the Federal and State Governments or by departmental differences. This is a time of national crisis in which all of us must work together putting our work and the benefit of our people before self.

Therefore, under the circumstances, it calls for greater efforts on the part of everyone not only in preparing our Development

Plan but also in carrying out our day to day tasks. Now, with the declining trend in the price of rubber and consequent fall in Government revenue and with the need to meet rising recurrent expenditure for public service and for defence, we must take all factors into account in putting up development expenditure proposals.

In spite of Indonesian confrontation and financial limitations, the Government is determined to push ahead with development and to formulate a realistic and dynamic First Malaysia Plan for improvement in the standard of living and conditions of our people and for national-building.

Now, in the task of preparing and implementing our Development Plan, I offer you a sweet "PIE", a three letter-word formula which I hope you will bear in mind. The "P" stands for careful preparation of the First Malaysia Plan, "I" stands for efficient and proper implementation of the Plan and "E" stands for constant evaluation of the programmes under the Plan.

In preparing programmes for the next Plan, every Ministry and Department, every State and District, should scrutinize their programmes carefully with a view to ensuring maximum return for investment. We must weigh alternative courses of action in relation to their cost and the benefits to be derived. In other words, we should ensure that the value derived from every dollar spent on any development project, will contribute maximum benefit to the country. It is normal and human for every Ministry or State Government to think that their particular programmes deserve the most support of the Government for final inclusion in the Plan. We must however establish a clear order of priorities. Where programmes or projects are of lower priority in terms of overall national requirements, they should be excluded or deferred.

Resources are limited and it is not possible to include all projects one would like to have in the next Plan. This calls for a vigorous determination of what are urgent and what are marginal programmes. It should be borne in mind that the third Five-Year Plan or the First Malaysia Plan, is not the *one* and only *one* Plan—rather it is one of a series of Plans in the process of development.

You have been sent the circulars setting out the guidelines for the preparation of the Plan. At the same time the Treasury, the E.P.U. and other Departments are now engaged in preparing

papers to appraise the economic and financial position of the country. What emerges from the whole exercise will be placed before the NDPC and the Cabinet for consideration and approval.

Once the Plan is approved by the Government and the Parliament, the next stage is to implement it efficiently. The process with which you all will become involved and the manner in which you carry out the Plan is bound to have far-reaching effects and tremendous impact on the well-being of the nation. It is futile if the Plan just remains a "paper plan" and therefore we must sustain our efforts to implement it and gear our administrative machinery to obtain the required results.

The next very important step is to evaluate the progress of the development programmes. We must ensure that clinics built are properly manned, land provided to farmers are cultivated, loans granted are properly utilised, roads constructed are maintained and the output of farmers are efficiently marketed. All these activities require a continuous process of appraising the results, to allow adjustments of policies and programmes where circumstances demand. Therefore I would emphasise that there should be no relaxation of efforts in the preparation, implementation and evaluation of the next Plan. Remember "PIE" is the key word and in the process of "eating" this "PIE" offered to you this morning, you will feel that in the years ahead when the country is developing rapidly it is an instructive and a very rewarding exercise.

I would like also to mention that steps are being taken to re-organise the planning machinery particularly the structure of the NDPC to enable it to discharge more effectively the increased development responsibility arising from the creation of Malaysia. The NDPC will have broader representation from Ministries, and States concerned with major aspects of planning. In addition, I am considering the setting up of an Advisory Committee to NDPC on the development of the private sector with representatives from private enterprise, from employers and trade unions so that they will be able to help contribute towards national economic and social development.

Now, gentlemen, I have outlined to you that our main objectives are in the preparation and implementation of our Plan and what your duties and responsibilities are. We are a young nation—Malaya seven years old and Malaysia is hardly one year old. We

can be justly proud of what we have achieved during the past seven years. Many of you here will remember the period before independence when the critics said that we were not yet ready to govern ourselves and that independence probably will be the beginning of the end of prosperity and stability in Malaya.

The last seven years have shown what Merdeka has meant to the people of this country. It has meant the foundation and furthering of stability and prosperity within our shores, the steady progress towards a better way of life in both the rural and urban areas, the release of energy and enthusiasm and concentrated efforts in the task of nation-building in which we all have joined in the unselfish and untiring efforts. As I have said, all these things have brought praise from every free nation in the world today but we do not ask for praises. We ask and pray for progress. However, the praises that have been poured upon us have given us great encouragement to move forward and to achieve better and greater things in the years to come.

Now, we have Sabah, Sarawak and Singapore, out of their own freewill joining us as equal partners to work together, to pool our resources to build a free and independent nation. We have many problems and difficulties ahead but despite all this, we have achieved much in the past and therefore, it is in this spirit of national pride, determination and perseverance that I ask you all from whichever part of Malaysia you may be, to work together, to combine all your efforts and goodwill towards the building of a strong, stable and secure Malaysia.

Youth work and leadership in Malaysia have improved considerably over the last few years. We will see to it that training facilities for young people are improved and expanded. The Government attaches great importance to the development of planned and effective youth work. Still, the need to have sufficient number of trained voluntary youth leaders to carry out effective youth programmes have always been felt in this country.

— *Tun Razak in a message to the W.A.Y. Asian Regional Youth Leadership Training Course.*

DEMOCRACY AND DEVELOPMENT

HOW MALAYSIA CARRIES OUT HER DEVELOPMENT PLANS AND PROGRAMMES

Many eminent men of the highest level of thought and leadership attended the meeting of the Council of World Tensions Conference in Kuala Lumpur on 28th February, 1964, when Tun Abdul Razak told the delegates how Malaysia had carried out her development plans successfully, despite serious problems facing the country. His speech is given below.

It is an absolute coincidence that the Council on World Tensions should hold their annual Conference here in Malaysia at a time of very tense tenseness between *our new nation* Malaysia and our nearby neighbour.

It is also a coincidence that the subject of your Conference should be Development and Co-operation, at a time when co-operation between some nations in South-east Asia appears to be at its lowest level and when Development, apart from Development in Malaysia, seems to be concentrated on the development of derogatory dicta, and the detraction and distraction of Malaysia by a dictatorial dictum, from a Government of a people who are, without a doubt, basically our own blood relations.

It is not my intention tonight to discuss or to consider this conflict of confrontation but I do feel as it is the main tension in South-east Asia at the moment, that you, Ladies and Gentlemen, who have so kindly honoured my country by deciding to hold your Conference here in Malaysia may possibly expect me to make mention of it.

I sincerely hope that during the last three or four days you have spent here in Kuala Lumpur you will have seen, and felt for yourselves, that we here in Malaysia are a peace-loving, freedom-loving and democratic Nation trying, within all our powers to uphold the principles of Democracy, and we are determined, *in spite of Confrontation, in spite of added Defence commitments,* and *in spite of distractions and detractions,* we are trying our very best to develop Malaysia within a sound and sincere framework of true Democracy.

We have no territorial ambitions; the joining together of Sabah, Sarawak and Singapore with the former Malaya to form Malaysia was no act of self-aggrandisement; it was a fact of Democracy.

It was the coming together of free people with a free will; a decision by the peoples themselves implemented by their own leaders who were chosen by a truly democratic process.

Ladies and Gentlemen, the very fact that I am standing here tonight as Deputy Prime Minister of Malaysia is a fact of Democracy, and I can safely say that this tension which confronts us here today in Malaysia, is not so much a *tension of peoples,* but really a tension between Democracy and Dictatorship.

And we need the support of the entire Free World to make sure that the outcome of this Confrontation will in fact be a triumph for Democracy, a triumph for freedom-loving and free-thinking people in this present-day world.

Now, Ladies and Gentlemen, turning to Development, one of the greatest problems for leadership and Development in a democratic country is that the people are allowed to vote, *to vote* in privacy and to vote *with some real choice of what they want.*

I think perhaps the most sobering influence that true Democracy has, is the effect of elections of its leaders.

This has been summed up very aptly in a quotation in a book by a famous author who honours us here with his presence tonight, Mr Philip Manson, and with his permission, I shall quote:

> *". . . . Do those who live decline,*
> *The step that offers, or their work resign?*
> *Trust me, today's "Most Indispensables",*
> *Five hundred men can take your place or mine".*

Democratic leaders are dispensable, whereas Dictators seem to regard themselves as indispensable.

This means that a Democratic Government must face the facts as they are rather than be too ideological in a hard and fixed way; it must also be eclectic in choosing from the modern forms of Government.

In other words it must pick the best type of approach most suitable for the benefit of its people rather than being carried away into the clouds of high-flying theory, and intellectual ideological "-isms".

This means that whatever a Democratic Government does, however much it works, it *must hold its breath while the people vote.*

The problem is, on the one hand, to provide the kinds of Development Programmes that are active, and forceful, and visible, so that the people have a sense that their Government is vulnerable and sensitive to their wishes, that Government is truly *their* Government and, at the same time, it must be borne in mind that the Government has the problem of laying down the less spectacular, the long run fundamental changes, that have to be made if the people are to experience a real and sustained Political and Economic Development.

There is a tendency, throughout the world, of *each and every new nation,* once it has thrown off the yoke of colonialism, to waste a lot of time and energy bemoaning the past, and bemoaning the defects of their colonial heritage, instead of focussing all their resources on the future and harnessing all their energies towards building a better country.

Ladies and Gentlemen, *we cannot change the past*—the fact that we in Malaysia were once under a colonial rule is part of history and there is nothing that we can do to erase that from history—but we here *believe that* we can, as an independent Nation, *shape the future and determine our own destiny and speed* and speed up our own Development.

If, by chance, in fulfilling this determination we turn to our friends of the Free World, for technical aid and assistance; we do so, in the belief that it is *our duty as leaders* of this country, to obtain for our own people, *the very best* that the world can offer.

We reckon that this is a sound, sensible, and sincere approach and if by doing so we are accused of being neo-colonialists then I can say those who talk of neo-colonialism talk about neo-nonsense.

We feel that although we are a multi-racial community with Malays, Chinese, Indians, Ibans, Kadazans and many other races enjoying full citizenship of Malaysia, we do not regard this diversity of races as a handicap but we rather regard it as the main potential of our latent strength.

The wine that some of you have drunk tonight and the tobacco which some of you are smoking now are of high quality because of their *blend* and we here in Malaysia firmly believe that our future ability to contribute towards a peaceful, and stable world, lies in this mixture and *blend* of peoples and the coming together of their various cultures giving us a broader foundation and a broader base in this task of nation-building.

I do not deny that from time to time tensions within our shores can exist but we believe—

"No horse can go anywhere until it is harnessed,
No steam or gas ever drives anything until it is confined,
No Falls is ever turned into light and power until it is tunnelled,"

Therefore, no nation will ever develop until it is focussed, dedicated and self-disciplined into a common loyalty of nation-hood.

Ladies and Gentlemen, the basic thinking behind our Development planning and implementation since Independence has been to *highlight* the *focus* on Development so that all of us here in Malaysia whether we be in the town, in the urban areas, or in the most remote villages *feel and believe* that our nation is moving ahead towards a bigger and better goal and that petty prejudices have no place in our Development Plan.

If each and every citizen is focussed on a main national goal which is above the pettiness of minor groups or selfish individuals it is amazing the results which can be achieved over a short period of a few years in the path of progress in National Development.

However, to go back once more to Democracy, when we started our present Development Plan the first step we took was to harness the energies of Government executives to ensure that the whole machinery of Government was geared completely

into a singularity of purpose and action in order to achieve the maximum impact on the implementation of our National Development Plan.

Having done this, we launched the first phase of the implementation of our Development Programme, namely, by laying down the foundation of the framework of development and by Government shouldering what we regarded as Government responsibility, such as the making of roads, the construction of schools, health centres, water supplies and such other projects. Our people have been under Colonial rule for hundreds of years and as soon as we achieved independence, we had the Emergency in our hands and it was not possible to carry out development with the energy and the resources we require. Now having started our National Development Programme, we must as a first step show to the people that we are really earnest to improve their standard of living, to provide them with amenities of life, so as to create confidence and enthusiasm in them. Having done this for just over a year—Government having shouldered these responsibilities—we launched our Second Phase and turned to the people with a clear conscience and they must do their bit. This Second Phase is known as the "call to action" on the people to give their maximum co-operation to the Government and to carry out their responsibilities in improving their own standard of living. Ladies and Gentlemen, the main objective in National Development Plan must be to make the people self-reliant, to instil in them the pioneering spirit, initiative, enthusiasm and enterprise so that they can on their own exert their efforts to improve their standard of living and their way of life.

Indeed, our whole Programme is geared with this objective in mind. With the Second Phase in full swing, assisted by our National Adult Education Programme and extension services Programme carried out by the various Ministries, to help the people to improve their methods of earning livelihood, we are now preparing for the next phase and, that is, to assist the people in getting better marketing facilities and better prices for the goods they produce. So you see, Ladies and Gentlemen, we implement our Development Programme phase by phase in order to give a real impact on the people, but behind all this, the main thing that we endeavour to drive home to the people is that they must stand on their own feet; they must exert their own efforts and it is only with the total of the efforts of all the citizens that

a nation can prosper and can call itself a happy and contented people.

I understand that many of you have already paid a visit to our National Development Operations Room and that you are to be supplied with a copy of the Interim Review of our present Five-Year Plan and a copy of our "Red Book" Rural Development Plan.

Therefore, Ladies and Gentlemen, I shall not go into the details of our present Development Programme here in Malaysia but I would like to mention my own particular feeling on the implementation of a Development Programme.

My own view regarding the present day thinking on Development, particularly thinking at academic expert level and within the range of academic research—there appears to me a tremendous tendency towards specialisation; and in the foreground of the World Development Scene today, events are usually discussed under the various headings: "Political", "Economic", and "Social"; these classifications are frequently treated separately by political scientists, economists and sociologists.

But, as many of you will agree with me, when Development thinking comes to the stage that it has got to be implemented, and put into action through Government machinery, there is a definite need for every one concerned to think of Development, and every aspect of Development, as a "mosaic", because the tendency in this modern world is one of technical tangents and over specialisation, and Development is often delayed by the inability of specialists to marry each aspect of their speciality into a cohesive whole.

We have found, in our experience in Malaysia, that it is perfectly easy for any country to have a magnificent Five-Year Plan, well written by theoretical economists, and other professionals, but what is so much more difficult is the process of putting life into the Plan; translating theory into practice and practice into results.

Also many plans and good theories will remain on paper, in books, and on files, unless ways and means are devised for the correct interpretation of the Plan to be broken down, and spelt out in clear-cut directives which can be easily implemented by the existing machinery of Government.

I think I can say with due modesty that we here in Malaysia have acquired and implemented a technique of our own which enables us to translate our Development Plans from paper to projects on the ground without delay.

Nevertheless, we still have many lessons to learn regarding Development and I look forward to read with interest the result of your many discussions and deliberations when they are published.

THE GRAND ALLIANCE CONVENTION

COMMON BELIEF AND OBJECTIVE TO SERVE THE NEW NATION

The problems facing the new nation of Malaysia and how they could be solved were enumerated by Tun Abdul Razak when he spoke on Defence and Development at the Grand Alliance Convention in Kuala Lumpur on 31st March, 1963. He was addressing Alliance leaders from all territories "which will come together by the grace of God on 31st August, as the new and sovereign nation of Malaysia."

It would be the duty of all of us here and those who subscribe to our ideals and objectives and who generally believe in freedom and democracy to exert their utmost efforts not only to bring Malaysia into being but also to see that it is a reality and to succeed in becoming a strong, united and happy country.

We live in a difficult and divided world and for Malaysia the next few years will be a challenging time. There will be problems, there will be difficulties for us to overcome, but I have no doubt that if we are united and if we stand together to defend the ideals and the principles which we subscribe, we shall overcome all these difficulties. Let us remember that, if there are no difficulties in this world, there will be no triumphs.

I am very pleased that the leaders of Sabah and Sarawak have been able to accept the Inter-Governmental Committee's recommendations with a spirit of compromise and goodwill. It is true

that the recommendations of the Inter-Governmental Committee represent the maximum agreement possible in the circumstances but they provide the basis for constitutional and administrative arrangements which would enable these two territories, Sabah and Sarawak, to join Malaysia as full and equal members to play their full part in national as well as international affairs of our new nation.

All these arrangements are not intended to be permanent. They should be reviewed from time to time to see whether they meet with our needs and requirements and whether they serve our paramount objective of building a united and happy Nation. We, from the Federation of Malaya, welcome our brothers and sisters in the new territories as equals and we extend to them the hands of friendship and I hope they in their turn will appreciate that we have nothing but goodwill and understanding towards them and our sole desire is to work together as members of one united nation.

I hope that in the course of time, it would be possible for the people of these new territories to regard Kuala Lumpur as their capital and not merely as a distant city and to regard the Central Government here, of which they will be full members, as their own Government which is designed to serve not only one part of the territory or one section of the community, but the whole of Malaysia and all the citizens of whatever race, colour, or creed.

That is why I consider it very opportune indeed that all of us here from all sections of our community, that before the birth of this new nation to be formed, we should rededicate ourselves to the great and inspiring task that lie ahead of us of building a united, stable and happy Malaysia.

I have been asked, Ladies and Gentlemen, to speak on two subjects of which I am particularly responsible, i.e., development and defence. These two subjects are of vital importance to our new nation. Indeed, they are vitally important to any nation. because if we compare a country to a river, the two banks must be—on one side, economic development and on the other, defence and security. If these two banks can be kept solid and strong, then as the water of the river flows steadily, the country marches forward and prospers.

Now, let us first take development. Naturally as a new and young nation our people in all walks of life, in towns, villages,

kampongs and the long-houses, all expect to get development with a change in the status; they expect changes in the ways of life; they expect improvements to their standard of living; they expect better amenities of life. Indeed, these are all the rising expectations of a new, independent and developing nation. It would be our duty to meet these needs to satisfy these rising expectations to the best of our ability and resources.

Now, before I talk about development, we have got to get our thinking on the subject quite clear and start on a framework free from fear and doubt. Fears have existed both in the ranks of our various parties and also in several sections of the community that the formation of Malaysia would be an economic drain on the resources of Malaya and would affect the impetus of both our development programmes here in Malaya and each of the three territories. I think that these doubts have arisen in the minds of those who have not got a clear picture of the concept of Malaysia.

The real concept is this: That Malaya itself is a country with considerable development potential in the form of natural resources, both material and human. Sabah, Sarawak, Brunei and Singapore are four territories each with their considerable economic resources and development potential. Therefore, it is logical and it is an undeniable fact that the coming together of these five territories, their harnessing into one viable whole, their economic resources, and the combination of concentrated efforts towards progress and development of Malaysia will result in definite gains to each territory concerned and will give a greater impetus to our present development programmes which are already well under way.

There is no need for me here to prove this point at length. I am sure that history would prove it and our children and descendants will realise that we, in establishing Malaysia, have taken the right step in the interest of all our territories and of ourselves. If you remember, before the formation of the present Federation of Malaya, the same fears and doubts existed.

Before Merdeka, each State felt that they were giving up too much to the Federation without receiving sufficient in return. I know this fact because at that particular time I was the Mentri Besar of a State and was as equally isolated and sceptical in my thinking as anyone else, full of ideas and anxieties to protect the individual interests of my State. A matter of days later, after the

first National Elections, I was on the other side of the fence as a Federal Minister.

Now, looking back on these days and remembering the similar doubts and fears which existed before Merdeka, it is incredible to see how soon they were forgotten and events have proved, in the form of tangible progress, that the concept of Malaya under our present Constitution was correct, that our system of Federation with a strong Central Government was correct, and that it worked well in practice.

So with Malaysia, the concept is logical and the same principles and practice will prove right and correct. In other words, the teething troubles which we already experienced before and after the birth of an independent Malaya are no different to the teething troubles which we can expect in the first few years after the birth of Malaysia.

Therefore, it seems to me now the most important task for all of us and indeed our first task is to help everyone to fully understand the correct concept of Malaysia. It is essential that in doing so, we can go ahead together on the economic development of the new nation based on a framework for the future which spells hope of progress and prosperity. I think that we should regard that the coming together of these territories for Malaysia is the coming together of people each with their own assets to join a cooperative society. The correct operation of that society must, will, and can be of benefit to the individual members of the society. But it should also be remembered that for a cooperative society to be a success, to get an advantage from the society, members must be prepared to give, it is to be a "giving and getting": there must be give and take, that is the spirit which will make Malaysia and development within Malaysia a success.

In thinking of Malaysia prior to its actual establishment, some people tend to forget what tremendous national energies will be released which, at present, are either suppressed or non-existent before independence. Independence will act as a vitamin for the rejuvenation of the whole nation. We in Malaya have experienced this already and it is the harnessing of this new found vitality which, in my opinion, has helped us to make such strides already since achieving independence. In five years as an independent and free nation, we have achieved more and developed more than could be attained in 50 years of rule by a custodian government.

The vitality of our development plan is proof of this vitamin of independence. This is one of the greatest hidden potentials in the future development of Malaysia which cannot be accounted for in rates, revenues or tariffs. In fact, it is the main-spring of an independent and free nation, and it will be the main-spring of a future and free Malaysia provided that main-spring takes off from a firm foundation of faith, goodwill and mutual understanding.

Furthermore, in drawing comparisons between a free and independent Malaysia to that of a set of territories under colonial rule, it should be remembered that it is the traditional policy and practice of such colonial governments to advocate and exercise undue caution in the expenditure of public funds. On the other hand, in the case of Malaya, on achieving Independence, financial caution was not thrown to the winds nor was it allowed to impede national development. With financial caution and sensible expenditure, and motivated by the energies released by Independence, we have been able to achieve results and to carry out development which we can justly say are beyond the expectations of many of us.

Now with regard to the future development planning and the implementation of such plans within Malaysia, we have requested the World Bank to set up conditions to recommend concrete steps which should be taken in the field of economic policy to effect such economic co-ordination to the maximum advantage of all the territories. You can see that we have already taken action to start sound economic planning. This mission is now at work and it is hoped that it will be possible to produce a working outline blue-print as a guide for the future economic development of Malaysia. However, I hope it is remembered that plans in themselves do not produce development results. In this modern world, the art of good government is the ability to close the gap between theory and practice; the ability to translate plans into action; action into results.

In the world today events are usually discussed under the various headings; political, economic and social, and these classifications are frequently treated separately by political scientists, economists, sociologists and administrators.

I do not believe that social, economic and political factors in development planning, can be treated in such close water-tight compartments, because if this is done it tends to create, in development implementation, a lag between theory and practice which

is reflected in wasteful frictions and antagonisms between the Government, business, trade unions, education and other institutions and sections of the community.

To allow such a lag to exist between theory and practice is a luxury which no new nation can afford.

If Malaysia is to succeed, if Malaysia is to develop, if we are to achieve progress and prosperity for our people in every town and in every kampong, then we need, at our disposal, every ounce of energy that we can possibly put into development; every ounce of energy wasted on friction, misunderstanding and selfishness which is a deterrent to development, and a loss to progress.

On the economic aspect of our future development I think we must be cautious in accepting theories and practices which apply in other countries; and although our main aim is greater economic growth and greater prosperity, let us remember that prosperity in both the rural and urban areas should not always be judged by the same material gains which are the yardstick of progress in the more advanced nations of the world.

Economic growth is a necessary goal for Malaysia, but it must not be considered to outweigh all others, nor should it be assumed that every action that increases wealth is necessarily right.

The increase of wealth, the raising of our overall standard of living, is an essential factor in our future economic development. But such economic development will only be satisfactory if it acts to preserve the meaning of life, not destroy it.

So, therefore, our development should have a focus not entirely on material gain, but a focus also on the human, social, cultural and religious aspects of our lives, so that we can build up a Malaysia which is not only economically stable, but which is also a nation of people who are happy within themselves, self-reliant, and secure within their own sincerity of purpose.

On the political aspect of our future development let us remember the real and original meaning of the word politics, which means "the science or art of government". I do feel that in order to implement a sound development plan the first thing to be done is to close the gap between the sometimes vague and irresponsible political thinking on the one hand, and sound

development planning, administration and implementation on the other. Unselfish politicians can do this!

To do this one has to attract into the field of politics people who are sincere in themselves, ambitious for the good of the nation and not their own gains; honest with themselves; honest with those whom they represent; and who have above all a sense of unselfish service.

It has been said many times that the difference between a politician and a statesman is that—

A politician thinks of the next election and

A statesman thinks of the next generation.

In this context let it always be said of Alliance politicians that, not only do they think of the next generation, but they think, from day to day, of the *next opportunity*, when they can give unselfish service to Malaysia.

The main role of a politician in implementing a development programme is not really to make speeches for his own glory but rather to close the gap between the government and the governed so that the implementation of a Development Plan is a partnership between the people and the government, each playing an equally important part with the elected politician in between as a liaison link, liaison leader, persuader for good, and promoter of progress; not for his own gains, but, for the gains of the nation as a whole.

With regard to Rural Development in Malaysia I feel confident that if the principles which have been applied so successfully by the Alliance Government in implementing our Rural Development Programme in Malaya are applied in the same way to the greater concept of Malaysia then there is every hope of development in Malaysia being a success.

Let me remind you what these principles were.

The foundation for positive action on Rural Development was based on the principle of partnership between the government and the rural people themselves.

If we look at a map of Malaya and on it compare the distance separating the Federal Capital from the more remote kampongs in our rural areas, we remember that many kampongs are far

away and that a journey to them by road, by rail or by river would take many, many hours.

However, in keeping with the tempo of modern travel the Alliance Government made it possible to make a journey into the heart and soul of the development needs of any kampong in record time; this journey takes less than one minute: it is a mental journey made possible by the use of "Red Books".

The Red Book was conceived, designed and put to use by the Alliance Government, for the purpose of ensuring that, no matter how far away any kampong may be, nevertheless, the hopes and needs of its people are forever near to the heart of Government.

The Red Book is in fact, therefore, tangible proof of the fulfilment of that trust the people of the rural areas placed in the present Government when they themselves chose it to take charge of the affairs of their country.

Similarly, let us look at a map of Malaysia and I feel with confidence, in the future, that what the Alliance Government had already done in Malaya, not only can they do in the development of Malaysia but can do so, even better, from the experience in practice which we have already gained.

Time does not permit me to go into detail with each and every aspect of future development of the nation, but I would like to touch on one subject which applies to both Rural Development and overall National Development and this is the subject of roads. In the development of our country, it is clear from experience in Malaya that development follows roads and not the other way round. Some people think that it is necessary to make an economic survey of development potential before roads are built. Although this is desirable, in actual practice you can only get development after roads have been constructed.

I am firmly convinced that roads are the bloodstreams of economy; rural roads are the bloodstreams to our rural economy and major roads are the bloodstreams to our national economy.

Let me give you an analogy from medical science. If in fact the blood cannot flow to any particular part of the body then that part of the body ceases to function and eventually becomes diseased, decayed and dead. So it is with kampongs, in this modern world, which are completely cut off and have no access to and from the economic bloodstream of our nation.

Roads in the rural areas do not only contribute to the economic development of the area but also they open up access for better education, better medical health services, better information services, better agriculture and veterinary extension services. It is argued, however, that such roads into the rural areas merely open up the way for the bad effects of modern civilisation.

I refute this; admittedly, that when the blood flows to any part of the body there is every chance of the bloodstream being polluted by a virus but the danger of such virus does not deny the fact that a bloodstream is essential to health.

So it is with roads. We make roads and plenty of them with our eyes open knowing that they may be polluted, from time to time, by the virus of the middlemen but the cure is not to stop making roads. The cure is to devise ways and means to eliminate the virus so that the economy of the kampong is strong enough to stand on its own and to resist exploitation.

The point I am trying to make is that one of the greatest development needs in the new Malaysia will be roads.

From Sibu to Sandakan!
From Kuching to Kuala Belait!
From Kuala Kangsar to Kuala Trengganu!

Roads will have to be the bloodstream of our new nation. But they are expensive to make and we will need them at a time when our financial resources are already being strained.

There are, however, throughout the world, many programmes of technical and development aid and I sincerely hope that those friendly nations who fully support Malaysia and wish to show their support, not only in words, but in some form of tangible token, the best contribution they could make would be to give assistance in developing the road network of the new Malaysia.

It would be a tremendous monument to international co-operation on development if we could so be assisted in developing a network of roads; each highway, be it large or small, to be named after the donor nation.

This is not a request; it is only a suggestion. But I would like to remind those free nations which are willing to help

Malaysia with tangible aid that there need be no fear of such aid being misinterpreted. The formation of Malaysia is really an "international marriage" of five countries and it is an established practice throughout the world to give wedding presents so that the marriage can start properly equipped, and have a chance of success; any friendly nation which wishes to give a few miles of new roads as a wedding gift need have no fear of being accused of *neo-colonialism*. They could only be accused of *neo-matrimonialism*.

I think the great thing that we must remember in the future development of Malaysia is that in the inter-governmental negotiations and in the drafting of the new Constitution a lot has been done by legal draftsmen and a lot has been said of Constitutional Law.

But in development there is also a *law* which we can apply, *a law which has not been drafted or made by mankind*, it is a law of nature of what we can call the law of "cause and effect".

The law of cause and effect is roughly this—in the world nothing really happens automatically, even crops don't grow automatically; if a farmer wants to grow a crop he has got to clear the land, sow the seed and *work hard* in tending the crop, to get results.

And so it is with Development. Just talking *about* development, just *making* development plans, just *hoping for* development will never in fact *result in development*.

This is where the law of nature, the law of cause and effect, applies.

To achieve development, to achieve economic growth, to achieve a happy and highly developed Malaysia, means hard work, harnessing of all our energies and the ability of political leaders to convert *emotion* into motion towards sound economic development of a happy and stable MALAYSIA!

I would now like to talk briefly about the defence problems and policy for Malaysia. I am sure, Ladies and Gentlemen, you all fully appreciate that with Malaysia our defence commitments will increase. We will have a much bigger coastline to guard and

bigger areas to defend. Furthermore, with the present confrontation attitude of Indonesia, it would be necessary for us to have sufficient Armed Forces to guard our country in the event of any outbreak of trouble.

As Minister of Defence, I have now put up my proposals for the increase of our Armed Forces, the Army, the Navy and Air Force, to meet our increased responsibilities. Expansion of our Armed Forces will take some years to carry out, but a start has already been made. We have now placed orders for new aircraft, new patrol boats and machinery and equipment. We have also started recruiting men for the expansion of all the three Services.

The principal task of our Armed Forces will be for assisting the internal security and for close defence of our territories. The Federation of Malaya has a Defence Agreement with the United Kingdom and that Defence Agreement will be applied to the new territories of Malaysia.

However, we have to increase the size of our Armed Forces considerably. Our total expenditure will have to double itself in the next few years. We have made no provision for this increase in our budget and we hope that we shall be able to obtain external aid from our friends, in particular, from Britain. We hope to give opportunities to the citizens of all the territories to take part in the defence of our country. Singapore has now two battalions of infantry regiment and Brunei, on her own accord, has established one battalion, which is now being brought to full strength.

We have asked the British Government, in conjunction with the Governments of Sabah and Sarawak, to start recruiting a battalion for each of the territories so that when Malaysia comes into being we shall have at least one battalion for each of the territories which will be brought to full strength in due course and which will be trained fully to take part in the defence of the territories. I am sure it will be appreciated that the people of Sabah, Sarawak and Brunei—the Malays, the Dyaks, the Ibans, the Kadazan, the Chinese and all who are known for their warlike spirit will be able to play their full part in the defence of our country.

Our policy, as is well known, is to be friendly with all countries, particularly, with our neighbours and indeed the main object of

establishing Malaysia is to bring peace and stability to this area and we hope that we shall be able to maintain friendly relations with all our neighbours. However, we have always to be on guard and we must have sufficient forces for internal security as well as to meet any eventuality that may arise. Therefore, our defence expenditure will rise in the course of years and the burden will have to be borne by all citizens of Malaysia.

I have already said that with Malaysia, we shall share equally, whatever the resources that we have. Our various territories have enormous potentialities and I have no doubt that in the course of time we shall be able to meet increasing burdens not only in defence, but also in development.

THERE ARE SHORTCOMINGS BUT .....

As you all know, Government has always recognised the importance of consultation with the staff side in the matter of remuneration and conditions of service of the employees. It is in the interest of public service and good staff relations that there should be such consultation. For this reason it is the intention of Government that our present consultative machinery, the Whitley Councils, should not only be preserved but also nurtured.

I am aware that our Whitley machinery is not free from shortcomings and defects and I know that the Staff Side has often expressed concern over these shortcomings. However, I am sure you all appreciate that the existing shortcomings of the Whitley Council are not to be unexpected because, like many other institutions, Whitleyism is a relatively new practice to us. And therefore, only through experience and conscious efforts, can we hope to eradicate these shortcomings thereby improving the efficiency of the Whitley machinery. I can assure you that the Government is doing its utmost to overcome these shortcomings so that Whitley Council can become a really effective consultative body.

— *Tun Razak said at the ninth annual conference of Industrial and Manual Services Staff Council on 19th December, 1964.*

THE INTERNAL PROBLEMS

PROBLEMS OF THE INTERIOR

A VITAL ROLE BY CARE-MEDICO

TRIBUTE TO DEDICATED SERVICE

"To increase the output of our agricultural and natural resources and to raise the standard of living of our people," said Tun Razak in his address to the Care-Medico Conference in Kuala Lumpur in September, 1968, " an intensified Rural Development Programme together with an impressive medical and health service is essential and a national nutrition programme must be evolved early."

Ambassador Bell has taken the liberty of more or less reciting my biography, so let me say a few words about him before I turn to Care-Medico.

I understand, the largest well-tuned bell in the world is called the "Bourdon Bell" at the riverside memorial in New York; it weighs 18½ tons.

Our "Bell" as we call him in diplomatic and government circles in Malaysia, although he only weighs something over 200 lbs is, nevertheless, proportionately big, and as well-tuned as the "Bourdon Bell"!

He is big not only in stature, but at heart and is well-tuned to understanding and appreciating the needs of South-east Asia; tuned to the essential requirements of a young nation like Malaysia—its needs which are essential if we are to keep this area safe for Democracy and for democratic way of life.

During the years he has been with us here, we have learned to respect him not only as a diplomat; he seldom wins when he plays Golf or Poker with us, and knowing his high intelligence and intellectual ability, I am sure his losses are accrued more by diplomatic design than by default!

As a friend, we know that he has shown a particular interest in every unselffish humanitarian form of organisation such as yours—CARE-MEDICO—organisations which are wholly dedicated service to the people. "Not only do they help people, but also, by helping people, they help freedom."

I would like to thank Care-Medico for the help that they have given to Malaysia. In Malaysia, the major emphasis so far of your programme has been on your assistance in the medical field, and all of us have nothing but praise for the contribution that your medical teams, supplies and equipment have made to our country since it first started here in 1960.

I myself have met many of the former patients who have benefited from the skill of your Neuro-Surgeons and other specialists including teams of visiting specialists who have come here to help us with their medical skills from time to time. May I take this opportunity of conveying the sincere thanks both of our government and our people for the tremendous dedicated and unselfish service which your organisation has given us over the last eight years since your first surgical unit went to work in Kuala Lipis in 1960.

Apart from the good work which the Care-Medico is doing, not only in Malaysia, but throughout the world, the other aspect which we admire, is the fact that your organisation is maintained and sustained from purely voluntary resources, and that these voluntary resources are applied on the ground by dedicated people from both United States and from Canada.

This concept, which Ambassador Bell referred to at the beginning of his speech, is the concept that no country should be entirely dependent on government to finance and support humanitarian activities. He said that individual groups can get together, unhampered and unharnessed by government restraint, to set up valuable voluntary organisations which really do good work with tangible results for people who, strangers at first, cannot help in the end, become other than friends.

This concept also, is one which we in Malaysia are trying to develop and apply. I hope the day will come that our own humanitarian and voluntary services in Malaysia will further progress to reach the same self-sustaining standard and develop this dedicated determination to contribute to the welfare of those of our people who really need help. I hope also that our public here in Malaysia will further learn, not always to rely on the apron-strings of Government. They must further increase this initiative to contribute both in finance and energy towards developing voluntary and privately-run institutions for the benefit and welfare of the less fortunate of our citizens. This is true democracy in practice!

Our philosophy in Malaysia, is that the greatest defence of the principles of Democracy in a developing nation such as ours, is in fact Development—a programme of development designed to establish a stable economy and a higher standard of living for our people!

Realising that everything cannot be achieved at once, our programme for progress is phased into logical steps forward. The first step was to build up a strong economic infrastructure as a foundation for further action. It should be an intensified Rural Development Programme to increase the output of our agricultural and natural resources and to raise the standard of living of our people by all possible means available to us.

As a result of the application of our Development Plans, Malaysia has made impressive progress in the area of medical and health services over the past ten years. As a result of this progress, some problems of public health which were serious in the past are no longer so pressing. Epidemic diseases and serious malnutrition which pose a challenge to development in many other countries are generally not a problem in Malaysia.

It is my view that our health programme for Development must now go beyond the target of a preventive health programme and must not stop after the eradication. We must go to a step beyond this towards a positive health programme, particularly, in the field of nutrition. We must advance from the malnutrition of the past through the norm of adequate nutrition and achieve the aim of what I call, for want of a better word, "multinutrition", both for our farmers on the land and our children in the schools.

I visualise the implementation of an even more intensive programme on nutrition to ensure that each and every farmer, by virtue of being healthy and well-nourished, can put in a hard day's work and obtain the maximum productivity from his land. Similarly, I visualise a programme to so intensify our nutrition programme for schools that our children are so well-nourished that, as a result, their brains are alert to the maximum to enable them to absorb to the full, the benefits from instruction in their class-rooms and play-grounds.

The history of mankind falls into so many categories. First, there was pre-historic man, then pre-neolithic man, then pre-Coco-Cola man, then the "pre-Vitamin and pre-Protein man."

But our problem is that many "pre-Vitamin people" still exist in the rural areas of our country!

In spite of all the advice and papers available from world experts on this subject, I still feel that there must be more modern methods and techniques evolved to achieve a real break-through, with quick results, on nutrition. I do not think that the answer lies entirely on lectures and lessons on nutrition or entirely on extension services devoted to practical education on nutrition.

I agree that such programmes are essential, but, although I am no expert, I would like to examine the possibility of evolving new means to achieve quicker results from a national nutrition programme. Any intensified programme on nutrition falls well within the area of the aims and objects of Care-Medico, and we welcome any further assistance in this field which your Organisation wishes to offer.

Another aspect which affects us regarding giving better food-energy generating food—to our people, lies in the possibility of developing, what I call, the "Up-lands" of Malaysia which stretch from Fraser's Hill to the Cameron Highlands which are, as the crow flies, a distance only of some 45 miles along the mountain backbone of West Malaysia.

There appears to be in this potential hill area, at an average of four or five thousand feet high, a potential development area for the growing of health-giving vegetables and fruits and other crops which we normally import from temperate countries. My Government is currently considering whether or not it is feasible to develop this potential. At present we import vegetables and fruits to the value of something in the region of 56 million Malaysian dollars per year.

After a proper feasibility study of this Up-land potential has been completed, it may be possible to evolve a Plan with the active participation of both international and local capital, invested in joint ventures, to develop this valuable hill area. The essential ingredients of a balanced diet, to become no longer a luxury, but a common-place dish, can be made available in the most humble of homes. Apart from enhancing our national nutrition programme, a considerable savings in the out-flow of foreign exchange can be made.

The Pahang Government has already taken the initiative by setting up a Fraser's Hill Development Corporation. The vision of the future does not preclude a pattern of hill development stretching from Fraser's Hill to Cameron Highlands, and even further to the plateau of Trengganu. This may become a national asset making a tremendous contribution both to the development and health of our country as a food, meat and protein producing, agriculture area—to say nothing of the potential of crops such as coffee, tea, quinine, etc. This new agricultural area will, no doubt, ensure a supplement diet to our people without depending too much on canned and frozen imports.

THE SECOND CONGRESS BUMIPUTRA MARA'S SUCCESS HAS ALREADY SURPASSED ALL EXPECTATIONS

The success achieved so far by such new organisations as the MARA, the FAMA, the Federal Land Rehabilitation and Consolidation Authority and Bank Bumiputra was recalled by Tun Abdul Razak when he gave the keynote address at the opening of the Second Congress Bumiputra at Dewan Tunku Abdul Rahman on 7th September, 1968. He urged those present, in their deliberations, to focus on the future and not waste time on petty matters of the past "but rather illuminate your ideas with the hope of the future."

With the holding of this Second Congress, you see for yourselves that the Alliance Government is true to its promise that it will review the various efforts undertaken by the Government to implement projects and programmes for improving the economic livelihood of the Bumiputra. The Alliance Government not only stands firm on its promises but also stands firm in fulfilling whatever it promises.

The Alliance Government stands ready and willing to face the people, so that the people can decide and judge for themselves

whether or not the Alliance Government has fulfilled its promises to provide greater opportunities for the people to improve themselves.

Chairman, ladies and gentlemen,

Let me ask you a question.

What is the similarity between

- - - a bad husband;

- - - a bad civil servant; and

- - - a bad politician?

There is no difference between them.

- - - A bad husband runs away from his wife;

- - - A bad civil servant runs away from his files; and

- - - A bad politician runs away from his promises!

But this is not the practice of the Alliance Government. As I have said earlier, we stand firm on our promises to fulfil the hopes and aspirations of our people—we stand firm and determined to fulfil whatever promises that we have made. It is precisely because of this that the Government decides to hold this Second Congress so that we can review the implementation of the resolutions which I have accepted at the previous Congress—so that, we can find out new ways and means which can bring about the fulfilment of the hopes of our people in the economic life of our country. Never have we once run away from our promises. But we continue to give more and bigger opportunities to the ra'ayat so that our people, especially those who live in the rural areas, are given the chance to improve their livelihood.

I suggest to you that the keynote of this Congress is not to sit back on our laurels, not to participate in a post-mortem of the past, but to keep our eyes and minds steadily focussed on the targets of the future so that we can advance further at even greater pace than we have moved forward in the last three years.

Let me remind you that not only am I a Minister of Development, but Defence and the Armed Forces also come within my portfolio.

Is there any army in the world that can march forward and at the same time look backwards? No. One has got to look ahead. think ahead, be ahead and move ahead!

Therefore, let us not dissipate our energies by debating the past, because neither this Congress nor the Cabinet, nor the nation can change the past.

What this Congress can do is to determine the course of our future progress. Most of us who are here today attended the first Konggeres Ekonomi Bumiputra. You will recollect that for three days, in the first week of June, 1965, we were gathered in this Hall to pool our mental and intellectual resources and also our experiences in working out a comprehensive strategy for the third phase in the Government's efforts to promote and accelerate the effective participation of the Bumiputra in the economic life of our country.

We gathered in this Hail to consider ways and means of achieving the declared objective of the Alliance Government to promote economic growth and stability in Malaysia so that every Malaysian, be he a farmer, a rubber-tapper, a fisherman, a small businessman or a worker in a factory would be able to contribute in every sphere of life of our young nation. Yes, we gathered here to examine, in the best tradition of our democratic life to which the Alliance Government is deeply committed and this was amply demonstrated in the freedom of every participant to express his views, the vital and complex problems faced by the nation in its efforts to bring to fruition what I call economic democracy in this country.

The most important result of the intensive discussions and exchange of experiences was a rededication by all, the participants of the Konggeres, the ra'ayat and the Government to the national cause of removing economic imbalances in this country.

In accepting the 69 resolutions of the Konggeres I said the Alliance Government would do its best and all possible to the people.

We must face and accept the undeniable fact that the implementation of the resolutions is not the sole responsibility of the Government, but also of the Konggeres and the ra'ayat.

The resolutions and the wishes of the ra'ayat will only be realised if everyone of us, the Ministers, the Memebrs of Parliament, the representatives of the people, the Government servants, the Penghulus, the Ketua[2] Kampong and the ra'ayat work in unity with one mind and one heart towards the implementation of the resolutions.

The Prime Minister, the other Ministers and I have no magic wand or formula for success; the ingredients of success are one's firm and irrevocable determination to achieve it and hard work. Success can only be possible if everyone of us in this hall and outside it strives hard and works hard towards gaining our national objectives in economic development.

The first Konggeres has given birth to a number of organisations which form the major bridge-heads in our national advance towards getting fair and equitable participation by all in the economic life of the country. I refer to the birth of such important organisations like MARA, FAMA, Federal Land Rehabilitation and Consolidation Authority and Bank Bumiputra.

Ladies and gentlemen, you asked me to bury RIDA, body, soul and ghost together so that we rid ourselves, once and for all, the traces of the feeble and half-hearted attempts by our former colonial masters at removing the economic imbalances in our country.

I have also nursed MARA within the past two and a half years to a healthy and a fast growing adult as you see it today. I have appointed Yang Berhormat Enche' Abdul Ghafar bin Baba, a dynamic man of high calibre, to be Chairman of MARA. He is assisted by a Deputy Chairman, Yang Berhormat Dato' Haji Mustapha, a leader who has always been working closely with the ra'ayat and who knows the hopes and aspirations of the ra'ayat.

I do not intend to talk at length on the activities of MARA, but I would like to say this: for the past two years MARA has opened up a number of industrial ventures, such as the establishment of batek and shirt factories, the leather factory, the National Timber Corporation, the Amanah Saham MARA and others. MARA has given out substantial credits to Bumiputra businessmen and entrepreneurs, and helped them with professional advice. MARA has also been able to participate actively in the transport services.

MARA has invested millions of dollars in the training of thousands of Bumiputra in the professional, technical and vocational fields both at home and abroad. One of the major undertakings of MARA in the field of training the Bumiputra

is the establishment of the MARA Institute of Technology. I can only say that MARA's progress in this field has surpassed all expectations.

At the time when the first Konggeres was held, that was in 1965, the then Dewan Latehan RIDA had a student population of 100. At the time I am speaking now, there are 2,450 students in the MARA Institute of Technology taking courses from Accountancy to Computer-Science. The Institute is now actively working out a plan for the establishment of a school of engineering within its multi-million dollar complex at Batu Tiga.

I have no doubt in my mind this represents great strides forward and also reflects the spirit, imagination and vision with which MARA has set out to implement the major resolutions of the first Konggeres. In a few years' time we will be having thousands of trained young Bumiputra graduating from the Institute and from training institutions abroad and taking their rightful place in our expanding economy. I am sure they will be in a better position not only to participate, but also participate effectively in the economic life of the country, especially in the field of commerce and industry.

Similarly, the other organisations like FAMA and Bank Bumiputra have started to operate with a degree of success. I do not intend to elaborate on the success of these organisations. However, our Muslims Savings Corporation has not only been operating successfully, but also with impact. It has helped intending pilgrims to save so that the savings could be invested in a number of industrial ventures. It has also given help in a number of ways to intending pilgrims to perform the Haj.

Up to date, the Corporation has more than 38,000 depositors whose total savings amount to more than $10 million. With the investment of these savings in industrial and commercial undertakings, the Bumiputra concerned are indirectly participating in commerce and industry. The scope of this Corporation will be widened when the existing Department of Pilgrimage Affairs is integrated with the Muslims Savings Corporation. When these two organisations have been integrated into one single corporation, intending pilgrims will not only be able to save money but also will enjoy better facilities right from the time they leave their homes to the time of their home coming.

However, ladies and gentlemen, I would like to remind you that not only have we, as a nation, advanced tremendously in the field which particularly concerns this Konggeres—the area of Bumiputra participation, but also within the whole framework of national development, we continue to progress.

The FLDA now has no less than 75 land development schemes, and progress continues at a fast rate on the implementation of the Jengka triangle complex which will be the largest land scheme in the country. At the same time, preliminary planning is going ahead to open up two, perhaps three land schemes of the same magnitude as the Jengka triangle.

The Muda River and many other large irrigation schemes are well on the way towards completion and once in operation, will bring tremendous benefit to the standard of living of our padi planters in our rural areas.

Furthermore, a nation-wide survey on transportation has just been completed. Plans will soon be on the way for its implementation to open up new roads and new land, and to help us to ensure that we develop the natural resources of our nation to the full.

We are pressing ahead with our Agricultural Diversification Programme so that economically, we, as a nation, will not have to depend on precarious world price of rubber.

Tremendous strides are being made in doubling and trebling agricultural training facilities in order to step up extension services by conveying modern agricultural techniques to the farmers in our rural areas.

Such efforts are directed towards improving the position of our farmers and smallholders so that they will be in a better position to increase their productivity. These efforts, mobilised under the drive for Jayadiri which has been launched by the Government, will promote a change in their attitude and make them ready to accept changes brought about by science and technology. With the change in attitude and with the assistance of scientific and technical innovations, our natural resources can be exploited to the maximum extent.

In the field of industry, Batu Tiga industrial site together with many other industrial estates throughout the country are fast

developing, and both local and international investors are proving their faith both in the economic and political stability of our country by investing their money in all kinds of industries, giving both employment and economic growth to Malaysia.

We are on schedule and on time, in the implementation of our present Malaysia Five-Year Development Plan.

A critical review of our progress is currently being carried out, while at the same time we are preparing the framework of the next five-year plan period. These and many other national development projects are under way. My advice to your Konggeres is that, in all your discussions and deliberations, think in the broader context of the overall development aims and plans of our nation as a whole, and do not be petty and narrowminded in the views you express.

In the next few days, perhaps, the fruits of your discussions may lead to some bright development idea which has not been thought of before.

If you do this, the timing is perfect. As I have just said, we are in the process of planning ahead for our next five-year plan, and if your ideas are reasonable, sensible, sound and practical, then the Government will consider including them in the second Malaysia Five-Year Plan.

Talking of new ideas, I would like myself to give you a few suggestions which you may consider and examine in the course of your deliberations.

As I have already said, much progress has really been made in all spheres of our economic activity, but to intensify Bumiputra participation in industry for the next ten years and in the field of commerce, there may be merit in the setting up of a Sharikat Perniagaan Kebangsaan to give added opportunity to the Bumiputra to participate not only in the exploitation of our natural resources, but also in export, import and agency business.

I visualise that this proposed corporation will not only accumulate large capital resources, but also establish subsidiaries for carrying out its diverse operations.

This corporation can act as a nucleus for bigger things to come, because as a big organisation with subsidiaries, it will have a high credit rating which will enable it to raise funds by borrowing

and syphoning in international capital. It will also be in a better position to negotiate and carry out joint ventures with both local and international participation.

The greatest advantage of this corporation is that it will be managed and controlled by the Bumiputra, and it can also attract and mobilise capital participation from the Bumiputra themselves.

Ladies and gentlemen, the Bank Bumiputra has grown from strength to strength. In addition to giving short-term capital to entrepreneurs and acting as a savings institution for the Bumiputra, the Bank Bumiputra has up-to-date almost 10,000 Bumiputra depositors who have deposited a total amount of more than three and a half million dollars.

Indeed, this is a success, but I suggest that we should follow it up with the establishment of a National Finance Corporation under the auspices of the Bank Bumiputra.

This Finance Corporation will further attract capital accumulation from all sectors of our economy including the Bumiputra. The capital so accumulated will not only be available for meeting our long-term demands on capital, it will go into fields in which under present circumstances, neither the Bank Bumiputra nor any established bank constituted under the Banking Ordinance can participate directly because a properly established finance corporation has in practice flexibility and discretion in giving credits to finance ventures and is not tied to rigidity of orthodox banking operations.

Another area of exploration for new ideas is the field of insurance business. Scope also exists for the Bumiputra to participate in this business because most of the insurance companies operating in our country, with the exception of six, are foreign incorporated.

Figures for the last few years have shown a steady growth in the insurance business in our country. In 1963 alone, the premium incomes amounted to $80.8 million whereas in 1966, $120.8 million—an increase of $40 million. This represents an average increase of not less than $10 million a year.

It is most likely that the present trend will continue to show an even greater increase over the next ten years as our pace in economic development and expansion quickens.

As personal incomes increase with increasing prosperity of our country, more and more people will buy policies. There is, of

course, scope for expansion in the re-insurance sector, and for attracting premia from statutory authorities, like NEB, FLDA, MARA and FAMA.

I hope, therefore, that you in this Konggeres consider the merits of establishing a National Insurance Company.

Well, ladies and gentlemen, these are the few ideas that I wish to offer to this Konggeres. I hope everyone of you will consider and examine the implementation of these three financial and business institutions.

Finally, ladies and gentlemen, I sincerely hope that each and everyone of you will, in your deliberations, focus on the future and not waste time on petty matters of the past, but rather illuminate your ideas with the hope of the future; the past we cannot change. Our strength, as a nation, lies in taking stock of our achievements so far, thinking ahead and planning ahead so that our intentions and our plans are sound. When the time comes to the opening of the third Konggeres, we will be able to meet here again and take pride in the originality of our ideas and plans and in the success of their implementation. Thank you.



Tun Razak visiting the Sewing Section of the MARA Batek Factory in Petaling Jaya on 9th September, 1968. With him is the Manager of the Factory while behind the Tun is Senator Abdul Ghaffar, Chairman of MARA.

SENIOR OFFICERS URGED TO SET PATTERN FOR OTHERS

That senior Government Officers should set the pattern for others to follow and that they have to create new precedents as guide for others in the future was the advice given by Tun Razak when he addressed the members of the Malaysian Society of Public Administration on 30th July, 1968, in Kuala Lumpur.

I have thought for a long time that there is a need to have a Society like this or a Club where members of the public service can meet regularly and informally to discuss matters affecting their duties and also matters of national interest.

I am pleased that this Society has decided to open its membership to politicians as well as to business executives and academicians. This would provide an opportunity for people outside the public service, such as Ministers, to meet the members of the public service and to get to know them more intimately and more closely in order that there should be understanding and close co-operation between the politicians, who are the policy-makers of the Government, and the civil servants, who implement those policies.

As many of you know, I was a civil servant myself; but I did not stay in the civil service long enough to get into some of the bad habits, but long enough to know the techniques and to realise some of the short-comings of the Colonial Administrative Service. Ever since I joined this Government in 1955, I have always taken a personal interest in the public service in seeing to it that our public service does adapt itself to the changing conditions of our country so as to be able to discharge its duties efficiently and effectively.

We in the Government realise only too well the important roles that civil servants must play not only in nation-building, in welding together our people of various races, but also in carrying out Government policies to meet the needs and aspirations of our people and to satisfy their expectations. We politicians may be able to formulate a first class policy, but unless that policy can be implemented satisfactorily and effectively, it will not be of any benefit to the people or to the country.

We, in Malaysia, are fortunate in the fact that we inherited from the Colonial Government a good civil service; but a civil service under Colonial Government was merely a care and maintenance service, devoting most of its time to routine work to maintain the status quo and not to carry our development more than absolutely necessary. No Colonial Government would be so foolish as to embark on an extensive development programme because in doing so, it will only assist to accelerate its own elimination.

Therefore, on achieving Independence, we had to adapt our civil service from a lifeless and impersonal organisation to a progressive, dynamic body of men ready to embark on new schemes, and to create new opportunities—indeed to be lively and dynamic. Also, as an independent and young nation, our people expect to see changes, to see progress and to see improvements in their standard of living. It is, therefore, the duty of the Government, which, of course, include the public service, to deliver the goods to the people.

I am happy that with our techniques of development implementation and with the establishment of Operation Rooms at national, state and district levels, we have been able to establish a machinery of Government which could implement our Development Plans effectively and successfully. These techniques meant the desirability of full co-operation among all officers in all departments and at all levels.

By working together at all levels, Government officers were able not only to resolve problems and difficulties, but also to avoid friction, redundancies and over-lapping. In this way, they were able to produce the maximum results with minimum efforts.

Gentlemen, it is my considered view that development administration should be a revolutionary concept. That is, it must subject itself to continuous changes in response to technological, political, social and economic changes in our environment. As a young nation, we must be prepared to initiate new moves and new opportunities, to create new precedents. Indeed, all of you, members of the public service, are pioneers in your work.

Although in the last 11 years, through the efforts of all of us, through training and maintenance, there has been great improvements in the attitude and mental outlook of our civil servants,

there is still room for further improvement. While in the Ministries and at the level of Permanent Secretaries, there have been great changes, I would like to see changes at the lower levels, at the district levels, and at the level of officers who have direct dealings with the public. They must be imbibed with the idea that it is their duty to serve the public loyally and efficiently and that they are servants of the people. They must attend to the public politely and promptly. I would like to see changes in the Land Offices at district levels and also at the District Offices. There are still many Land Offices which have not changed from the old Colonial days.

The public want to see changes and if they go to the Land Office and they see the same things and the same ways as they used to see during Colonial days, then what changes are there in the structure of the public service or the attitude or mental outlook of our civil servants? I have always told young District Officers, many of whom are graduates of Universities with good academic education, that they should bring "fresh air" and new ideas to their work. They must have the courage and the initiative to bring about changes for the better—changes compatible with the present political and social environment in our country.

Gentlemen, all the improvements that I have mentioned could only be sustained and enhanced if there is good leadership. I have always found that in our development implementation techniques, where we have a District Officer who is a good leader, or where we have a Head of Department who has powers of leadership, then you find there is congenial atmosphere all round and you find the machinery works well. So the whole future of our public service depends on leadership and you, gentlemen, can give that leadership to our younger officers.

That is why in a Society such as yours, it has such importance because it will provide opportunities for you, senior officers of the public service, to meet your juniors informally and at leisure, to guide their thinking, to help to mould their characters and to instill in them the powers of leadership. I have always said you cannot give this leadership in the Office alone or while at work. You can only do it outside office work where you and your juniors are in a relaxed atmosphere; where you can pour your hearts to them; where you can watch and size them up more closely.

I do wish your Society all the success that you deserve and that you will get the support from not only the members of the public service, but politicians as well as business executives. But I do ask of you that you should also join a Club or have a club of your own so that there is a permanent place for you to meet and discuss and talk matters informally and at leisure.

PROGRESSIVE AND PROSPEROUS

FAMILY PLANNING NECESSARY

Tun Razak, at the launching ceremony of the National Family Planning Week on 8th June, 1968, at Stadium Negara, pointed out that for all in this country to enjoy better the amenities of life and maintain a standard of living compatible with a modern and progressive society, a well-planned national policy of family planning was absolutely necessary. He cited the case of Japan as a nation to be emulated and followed in order to bring about success in the fields of development and in achieving a high standard of living through people having small sized families.

The national policy of Family Planning is regarded by the Government as an important measure if we and our descendants are to enjoy the amenities of life and a standard of living compatible with a modern and progressive society. I am also happy to note that our policy to encourage our people to adopt a family planning programme has been well received by all sections of our community.

I would now state here the danger of an uncontrollable increase of population to a country and the world at large. Now, let us take our country, Malaysia. According to our 1947 census, the population of West Malaysia was 4.908 million. Twenty years later, namely by 1966, our population rose to 8.298 million. This shows an increase of about 4 million people within such a short period of only 20 years. Population surveys indicate that the rate of increase of 3% per annum of the population of this country would mean that our population would double in 23 to 25 years. If this is so, by 1990 we in Malaysia should be having

a population of about 20 million people. Now perhaps it may be difficult for most of us to realise and visualise problems that the entire nation will face when we have such a population because we have not experienced living as a unit among 20 million people, sharing the necessities and amenities of life that will be obtainable at that time.

In 20 years time our population will double from what it is now. Our Government has embarked upon an extensive development programme which promises a higher standard of living. Picture to yourself, life in a society where one has to fight for one's share of the necessities and amenities of life which have to be shared by too large a population. Obviously, if the cake is not too big and has to be shared by too many people, each will have only a very small slice.

Since independence, our Government have been able, through our wise policies of economic development and of gearing the machinery of Government towards the carrying out of this important task, to raise the *per capita* income for our people to $930 by the end of 1965 from $790 in 1960. It is our aim to raise the *per capita* income to $1,500 by 1985. We will only be able to do this if we could maintain the present tempo of development plans and at the same time to reduce the rate of increase of population from 3% to 2.2% per annum by 1985.

Now, through our economic development efforts we have been able to lay a strong foundation in social, political and economic fields for us to build a strong, happy and prosperous society. We are determined to proceed with our development programmes and with our efforts of modernising our country. Therefore, in order to enable our programmes to be carried out successfully and smoothly, we must see to it that any obstacles in our way should be removed. One of the obstacles is the high rate of population growth. Therefore, we have to make efforts to slow down the rate of population increase sufficiently to permit our development programmes in all fields to go on smoothly and successfully in order to ensure the happiness and prosperity of the entire nation and to give everyone of our citizens a rightful place in our country with the necessary amenities and necessities of life.

The whole world today views with great concern the uncontrollable increase of population. According to the United Nations Report in its Demographic Year Book 1965, the total world

population in 1930 was 2,070 million. I am sure it would frighten all of you, as it does to me, to know that within 30 years, i.e., by 1960, the world population stood at 3,285 million indicating a big margin of increase of over 1,000 million. Also, the birth rate in 1960 alone number about a thousand mission. It is also a fact that a great portion of this increase took place in developing countries which are mobilising all their efforts and energies to achieve economic development and a higher standard of living for their people.

Most countries in the world, particularly those which are densely populated, have adopted family planning as a national policy. Take, for example, our friend and neighbour India. India now has a population of about 520 million and at her present rate of population growth of 3%, before the end of the century India will have a population of 1 billion. Now India has adopted this family programme for almost 20 years and it has taken India all these years to enable the programme to show effective results. In spite of India's efforts at family planning and control of population growth, India recently was facing an acute shortage of food. The same problem will apply to many other densely populated countries of the world because almost all the developing countries are supporting a big population half of which are under 20 or 15 years of age. The cost of supporting such a young population in terms of investment in educational and productive facilities must necessarily present a tremendous burden for developing nations.

Japan, a newly developed nation can offer an axample of how rapidly falling birth rates have brought about her present high standard of living which is one of the highest in the world. Japan's birth rates had dropped by 1966 from post-war high of 34 per thousand to about 15 per thousand. These children are already assured of a job and even better living conditions as the country advances. It has been estimated that at the present rate of population increase it takes Japan about 70 years to double her population. Japan, therefore, provides a clear example of how a country is able to achieve success in fields of development and in achieving a high standard of living through people having small-sized families. Therefore, we can conclude that in order to meet our problems in future, the idea of having a small-sized family according to our means is one which we must adopt. Family planning, therefore, can be said to be the saviour of humanity.

Now we are clear in our minds of the necessity of adopting this national policy of family planning, if we are to enjoy the fruits of scientific and technological advancement and to have a strong, well-fed, educated people able to play their rightful part in a modern society. Since we established the National Family Planning Board in 1966, much has been achieved in promoting this policy and in making it known to our people the desirability of adopting this policy. We adopted this policy at the end of our successful Second Five-Year Development Plan and within a year our Family Planning Programme has achieved remarkable success. I would, therefore, like to appeal to all our people that in their own interest and in the interest of their descendants and in the interest of our nation, they should adopt this family planning without any hesitation.

I am happy to know that the National Family Plannnig Board anticipates that by their current progress, birth rates will drop by 2% by 1985, that is 0.2% lower than that projected by the Government. If this can be achieved, then it will undoubtedly take us far ahead of all developing countries. If we succeed in doing this, then clearly before the end of the century we will be able to eliminate poverty, ill-health and illiteracy among our people and to build a modern society and a happy and contended people. I would like to appeal to those of child-bearing age to take the opportunity of utilising to the fullest the services offered by the Family Planning Board and to participate in its programmes for the happiness of their family, for the prosperity of our nation and for peace of the world.

THE MAINSTAY OF OUR ECONOMY

NEED FOR STABILISATION OF PRICE OF RUBBER

Tun Razak emphasised that rubber was still the mainstay of Malaysia's economy and that the vicissitudes of its producers were inescapably reflected in the economic and social well-being of this country. He said this when he officially opened the Conference of Natural Rubber Producing Countries in Kuala Lumpur on 2nd October, 1967.

We, in Malaysia, attach the greatest significance to the fact that you as delegates from other rubber-producing countries show that you also share our sense of purposes and sense of urgency.

The nations which are represented at this Conference together produce 90 per cent of the world's natural rubber. We would have liked our far-away fellow producer nations in Africa and South America to be with us today, but because of distance and the time it had not been possible for them to do so. We are confident that this Conference here can speak loudly and clearly on behalf of all the natural rubber-producing countries of the world. In this connection, I would like to extend a special welcome to the observer from Liberia who has come from a long way.

We have been under the shadow of a cloud of depression. The price of natural rubber has dipped to its lowest level in the last 19 years, and rubber-producers, big and small, are beginning to be afflicted by gloom and despondency. It was decided that producing countries could consult each other and evolve effective measures to deal promptly with the problem that faces us, and to reach agreement on the problems of production and price which are in the forefront of our thought today.

The hopes and aspirations of the several millions of our people concern their own life and existence, dependent on a flourishing natuarl rubber industry. The natural rubber-producing countries of the world, are coming to grips with a problem which is at the very heart of the struggle by the vast body of under-privileged mankind for a better and fuller life.

By taking counsel together to find an effective answer to the problem of falling rubber prices, we are making it clear to the world that producers of primary commodities can no longer sit back without taking positive and effective steps to solve the instability of the price of this our main product. The fortunes of Malaysia, like those of your countries, are bound up with natural rubber.

Rubber is the *mainstay* of our economy and the vicissitudes of its producers are inescapably reflected in the economic and social well-being of our country. We, in Malaysia, just as in the other natural rubber-producing countries which are represented here today, are confronted with the need to achieve an adequate rate of growth in our economies to meet the needs of an expanding population and the rising expectations of our people.

Our resources are limited and like you we depend substantially on the earnings of our primary export commodities to finance a steady and sustained programme of economic development, and

for this reason alone, if not for others, a fair and stable price for natural rubber is of the utmost importance. We, in Malaysia, have through ups and downs over many years displayed every confidence in the future of a well-nurtured natural rubber industry. As early as 1953, we embarked on a gigantic replanting programme to ensure that natural rubber could be *viably produced at a price competitive with* that of any synthetic producer.

We have been spending large sums of money on research and development to enable our product to meet the technological challenges which the Synthetic Rubber Industry has posed and is expected to pose. Our scientists are tearing down the barriers which separate agricultural practice from industrial technology to ensure that the rubber tree can continue to match and, if necessary, outmatch the chemical engineering plant as a production unit.

These efforts are clear manifestations of our determination to sustain this great industry, whatever the challenge may be. But, despite all this, there are forces at work in the world at large which are nullifying the fruits of our labours, and are undermining their purpose.

A fall in the average price of rubber of Malayan 42 cents in the last six years (1961-1966) has meant to us a loss of $5,400 million in foreign exchange earnings, which is equivalent to a fall of 57 per cent in our estimated GNP (Gross National Product) and 150 per cent in our estimated gross export earnings for 1967.

We, in Malaysia, have long accepted that the natural rubber industry would have to reckon with a secular downward decline in prices from earlier, higher levels, and we have made preparations to meet this. However, in recent months the decline has been strongly accentuated by pressures which are not consonant with the world rubber situation and which have allowed sentiment and manipulation to figure too largely in the market price.

Now if we look at the long-term supply and demand position of natural rubber in relation to the consumption trend for all rubber, there is every reason for us to have confidence in the future of the natural rubber.

The Malaysian Government's action has re-activated the market and restored much-needed confidence, and in doing so, has proved the point that the big price drop to 47 cents was essentially a temporary feature caused by "bearish" sentiment magnifying the effect of a number of special short-term factors. We, in Malaysia,

by Government intervention, have provided the rubber market with a "shot in the arm."—have injected a serum, giving it slight vigour and activities.

Nevertheless, such re-invigoration, important though it is, is not enough for full restoration of health without further positive sustenance. What is important *now* is to generate the closest co-operation among the world's natural rubber producing nations, so that concerted measures can bring about a more lasting recovery in the price structure.

As suppliers of a large volume of important strategic raw material in world-wide use, there is every reason for natural rubber producers to work together towards achieving a fair and equitable price for their product.

In fact, at the Ministerial meeting of ECAFE, developing countries on UNCTAD recently concluded in Bangkok, it was enunciated and accepted by all participants that formulating a pricing policy which secures the highest possible real earnings for developing countries from the export of their primary commodities has become a key objective in assisting developing countries.

This, then, is the compelling case for our meeting here to-day. We, in Malaysia, look to our fellow producers assembled at this Conference to provide us with wise counsel and sincere co-operation to resolve our common problems.

Whilst I have touched on the need for quick measures to alleviate the immediate effects of unduly low natural rubber prices, which in the absence of corrective action could well have serious long-term consequences, there are deeper, more fundamental problems which call for long-term measures in order to bring *a greater degree of stability* into world trading, and to the *mutual advantage* of natural rubber and synthetic rubber producing countries, a *stabilisation of price* for all of us in the world rubber industry at a reasonable level.

I refer to the prevailing world-wide surplus production capacity for synthetic rubber and the market pressure from ever-growing stocks. Fiercely competitive and unhealthy trading practices have become prevalent—as is now publicly acknowledged by synthetic rubber producers themselves—with "dumping" at cut prices taking place on a substantial scale, notably in the European Common Market countries, where domestic producers have at least been forced to make official protest.

The heavy discounts, now common-place, are not only eroding the normal price levels of synthetic rubber, but are bringing down the natural rubber price as an inevitable sequence.

We, in Malaysia, believe that if synthetic rubber producers were given a choice between a rat race in the world's rubber markets with its attendant price cutting and other unsavoury practices and a planned price policy related to world supply and demand, there is no doubt what their choice would be. All we require is fair competition on this basis.

We aim for a price level for natural rubber which is rationally equated with that for comparable synthetic rubber and not one depressed and distorted by market encroachment through "dumping" and kindred practices.

We seek a *policy which will restrain trading rivalries* within an immensely powerful industry from spilling over and swamping the multitude of the very much smaller and much more vulnerable producers of natural rubber and thereby undermining the economic progress of those countries.

We ask no more than that the code of reasoned self-discipline for the common good which distinguishes civilisation from barbarism in social life be carried over to trading relationships between nations. We in Malaysia believe that effective measures based on these principles can be devised and realised if mutual trust, understanding and goodwill between the natural rubber producing and the synthetic rubber producing countries can be better established.

We, therefore, call on the synthetic rubber producers, under the aegis of their Governments, to join with natural rubber producers to plan production with due regard to demand.

In doing this, let me state plainly that we do not approach the subject with a motive of being anti-synthetic.

Natural rubber and synthetic rubber, like many other competitive entities, have to co-exist and it is just good sense that they do so to mutual advantage. The true answer to falling rubber prices lies in an embracive International Commodity Agreement. This calls for dual action, by both the natural rubber producing nations and by the synthetic rubber producing and consuming nations.

Genuine international economic co-operation is becoming a sheer necessity if basic trading problems of this kind are to be solved, national progress in the populous, lesser-developed countries to be maintained, and world peace and security preserved.

I sincerely hope that by this conference and by taking counsel together, those of us who are so deeply concerned with the production of rubber and with finding market at a reasonable level will be able to find solution to the all important but complex problem. We are making these efforts not with the object of making a profit but merely to make life bearable and pleasant for our people who are so dependent for their existence on rubber.

THE PROBLEM OF ILLITERACY

CHALLENGE BEFORE NATION GREAT

"Eradication of illiteracy is a vital key to nation building," said Tun Razak in his message on International Literacy Day on September 8, 1967. In the course of his message he underlined the danger of illiteracy as well as its obstruction to progress.

Today is International Literacy Day—a day which has great meaning in the United Nations' endeavour to promote universal understanding and to preserve world peace and goodwill among men. To us in this country, this Literacy Day provides yet another impetus in our determination to eradicate illiteracy as part of our national efforts to bring greater progress and prosperity to our people.

As in many developing countries, we in Malaysia have yet to overcome fully the problem of illiteracy. This problem exists amongst our people, especially those in the rural areas who had no opportunity for proper education during the colonial days. According to the Census of 1957, which was done before Independence, there were some 2.4 million illiterate people in West Malaysia. It has since been estimated that the actual number was much more than this.

With the formation of Malaysia in 1963, it was estimated that the number of illiterates in our country was increased by another

600,000. Thus, the challenge before the nation to overcome this problem of illiteracy is indeed great.

But now, let us look back at our attempts to eradicate this social problem among our people.

Prior to 1961, our literacy programme was very limited both in scope and operation. Its success therefore was also limited and confined only to the urban areas.

It was clear by the end of 1960 some greater efforts must be undertaken if a *proper headway* in eradicating illiteracy was to be achieved. As this was also one of the main problems obstructing national progress, particularly the progress of the rural population which comprise over 60% of the country's population, the Alliance Government therefore decided to incorporate the programme of eradicating illiteracy within the frame-work of the National Development Plan. This decision has proved its worth and great results have been achieved.

By the end of last year some 720,000 illiterate adults have attended basic literacy training of one year and are now considered, according to international concept, no longer illiterate. Annually, some 230,000 people are given literacy training in about 12,000 Adult Education classes all over the country. Annually, about $10 million are spent to ensure that this mass literacy campaign would reach every nook and corner of our country.

It is not, however, in the number nor the amount of money spent alone that our achievements should be judged. It is in the successful *bringing of light* to many dark corners of our nation that our efforts should be concentrated.

As we all know illiteracy is a barrier to man's endeavour to preserve peace on earth. An illiterate person can easily become the tool and victim of the unscrupulous for the realisation of the latter's ambition to power and such ambition may be against the interest of world peace and human brotherhood.

It is a well known fact that the best place for the *cultivation of peace and human brotherhood* is the minds of men. As a man becomes literate his mental capacity becomes exposed to the bigger world of knowledge. He becomes more enlightened and receptive to ideas and attempts for the preservation of peace; and what is more important, greater also will be his incentives to act for the sake of peace.

Illiteracy also obstructs progress. Its existence does not help our people to keep abreast of time. It obstructs efforts to change the negative attitude of our people, reduces their capacity to communicate with one another and inhibits national efficiency.

These are some of the reasons that have prompted many countries, including Malaysia, to carry out its own programme to eradicate illiteracy and also give support to the United Nations' endeavour, through UNESCO, to pool international resources and efforts to eradicate this social problem.

Our efforts to remove his *road-block on the route to progress* should deserve the support and co-operation of all progressive and peace-loving people.

To us, here in Malaysia, eradication of illiteracy is a *vital key* to our nation building. We can expect in future no spontaneous generation of vigorous and tolerant Malaysians without the establishment now of at least a generation of development-conscious and hard-working Malaysians who are fully literate.

Since its inception in 1961, our Adult Education programme has not limited its scope merely to make people able to read and write the National Language and to do simple arithmetic: it also provided them with additional knowledge which is of economic as well as of social value.

As you may know, the course is extended to 3 years and subjects like civics, home economics, Muslim religious instructions, applied agriculture, veterinary, co-operatives, cottage industries, health education and other extension education are also taught to students so that, after acquiring the basic literacy education, they are able to obtain more useful knowledge to *enhance* their *efficiency* both as citizens as well as in their *individual skills* and craftsmanship.

And so when UNESCO, after a resolution of the Congress of World Ministers of Education which met in Teheran in September, 1965, decided on a new concept of literacy programme now known as Functional Literacy, which is also referred to as job-oriented literacy, Malaysia has little difficulty to follow international practice. This is because our literacy programme had earlier been geared towards being functional so as to complement our overall national development efforts by increasing our people's capacity for work and efficiency. At this present stage of our

National development, when all our human resources are needed to participate in nation building, all forms of obstructions, including illiteracy, must be removed. The Alliance Government will not stop nor spare any effort to eradicate illiteracy. I can assure our people that it will not be long before our new nation, Malaysia, will be free from this social evil of illiteracy.

We are indeed proud of our achievements since Independence. Only a week ago we celebrated the 10th year of our country's Independence with much gaiety. We celebrated that auspicious day on such a grand scale because we felt that, after a decade of development, progress and prosperity, as a young Nation we have done much more for our people than what had been given to them in a century under Colonial rule.

Now, as our country enters its 11th year of Independence we look ahead, determined to do much more. We know the future holds a bigger challenge. We anticipate there will be problems and obstructions.

WARNING TO THE BUMIPUTRA

MALAY CHAMBERS MUST STAND FIRMLY ON THEIR OWN FEET

Bumiputra businessmen heard a solid, constructive and thought-provoking address from Tun Razak when he opened the Annual Conference of the Associated Malay Chambers of Commerce of Malaysia in Alor Star on the 14th July, 1967. He brought home the fact that business is competitive and needed hard work and hard fight to survive, to succeed and to make profits.

I welcome this opportunity of talking to you all who are a very representative cross-section of Bumiputra businessmen throughout the Nation. I remember in my speech to your Association in Kuala Lumpur last year, I suggested that you get together and produce a blue-print of action so that as an association you will be able to play an increasingly effective role in the expanding economy of our country.

I do not wish to give the impression that I am in any way *anti*-Chambers of Commerce as such, but I am *anti* any organisation, whether it be government or *voluntary* which is moribund and has neither unity nor drive. There are many Chambers of Commerce whose only function seems to be to get together either on *social* occasions merely to eat and make speeches, or on other *negative* occasions to fight tax increases, tariffs and other government policies. Having fought their battle with government, they *revert* to a negative role, doing nothing, until something comes along to fight for again in their own *narrow* interest without a thought for the progress of the nation as a whole.

My concept of a thriving and lively Chamber of Commerce is an association of businessmen who get together not merely with the selfish intention of what they can *get* for themselves, but also with the *more positive* and *progressive* intention of what each and everyone of them can *give* and contribute not only towards the benefit of their own businesses, but also to the *benefit of our national trade, commerce and industry* for the economic progress of Malaysia!

Therefore, I would like to see the various Chambers of Commerce in this country to grow up with some *depth, depth* of purpose, and with some depth in their day-to-day action!

It was with this in mind that I suggested to you to prepare a *blue-print for action*, and I have since read a draft of your plan. If I praise it, I know what your immediate reaction will be! You are bound to respond with a request from me to give you funds in order to implement it. And if I give in to your request, I think I will be failing not only you, but also, myself, because if you are to be a really dynamic association, you must be yourself standing firmly *on your own feet* and not propped up by government.

Therefore, I suggest that in order to *prove your motives* in your membership of this Chamber of Commerce are unselfish, why not give *concrete evidence* of this *unselfish service* in the form of a contribution towards *your own funds first*? Then perhaps, after you have proved to the government that you have done your best to your honest ability, I am sure, government would be much more inclined to help you if help is in fact required.

I think also that in an association such as yours, there must be more *give and take*. By this I mean that the more successful of

you who are Bumiputra businessmen and who have built up viable and financially sound businesses must be prepared to sacrifice a little of your time and even a little of your money to plough back into this association, experience and guidance to help your colleagues who are at the lower rung of the ladder of business success.

In other words, the leaders of this association must not only attend to their own needs in the field of business, but give guidance and leadership to those Bumiputra, your members, who are launching out for the first time in the field of Commerce. In this respect, the Alliance Government has done a lot to fulfil the resolutions of the Congress Bumiputra, in helping Bumiputra businessmen.

I am glad to report to you that MARA is now really producing results. The Technical Advisory Service Division of MARA has already helped many new Bumiputra businessmen by giving advice and guidance in many fields of business, and I hope that many more *will take advantage* of this service given by MARA which is open to all of you to use to the full. With regard to the Credit Finance Division of MARA which is giving out many hundreds of loans to Bumiputra businessmen, I am happy to say that the new systems and the new ideas which are being implemented by MARA in this respect are beginning to show success.

The great secret of MARA or any other government agency giving out a loan to help a businessman either start a new venture or improve an existing business, is, first and foremost, to ensure that a sound economic appraisal and feasibility study is made of his venture before *one cent* of loan money is approved. The Loan Division of MARA has been strengthened with economists, financial analysts, civil engineers, and other specialists who, with their professional knowledge take a very *hard* look at the project for which the loan is to be given, and unless and until the business project is brought up to a standard which will guarantee success, funds are not given out.

This means that in cases where loans are approved success is almost guaranteed from the very beginning, and as the project develops, there is now strict credit control with continual reviews of progress, combined with constant supervision, and this policy is now paying dividends, an indication of which is that recently more money has been coming back to MARA as interest on successful loans, more than has been paid out for other loans.

I am very happy about this, because it means that now we the Alliance Government have really improved our system of helping Bumiputra both financially and technically, and that system is working well.

I would like to say, however, to any of you or any other Bumiputra businessmen who may not be present here to-day, that if you apply to MARA for a loan, and, if per chance, your request is not *immediately* approved, do not be despondent because with the refusal of approval, you will also be given detailed reasons as to why it is thought that your scheme of action is not economically feasible. I hope you will be given advice as to how to put up a case for an economically feasible project.

This policy, you will all agree with me, is logical. The idea of a loan from MARA is not to give charity, not to give a loan which cannot, and never will be repaid; and so get a loanee deeper into debts, ending up as a bankrupt. Our policy is to build up viable, financially sound businesses run by Bumiputra who will eventually become prosperous and not become bankrupts. The only way of applying this policy is to enforce this system of sound appraisal into every business before the loan agreement is signed.

Let me be frank with you, Bumiputra participation does not mean, as some people think, merely obtaining a licence, lending it a name, and then let someone else run the enterprise, earning a large profit himself for a regular fee paid to the licencee! Participation in business must mean one-hundred percent participation, both with a contribution of capital and contribution of energy together with an active part in the day-to-day running of the business! In the past, there have been too many licences such as mining licences, timber licences, taxi licences and, perhaps, licences even for private industries, given out in someone's name and then the licencee becomes a sleeping partner!

Then what happens: "Si-tidor di-makan si-jaga."

As your President has already mentioned, I would like to develop his theme in the way that I foresee real *one-hundred percent Bumiputra participation* in the commerce and industry of our country. The answer lies in *joint ventures*, not only with the established businesses of our country, but also with the many many new types of industry and trade in which opportunities are opening up from day-to-day as we progress economically.

Bumiputra participation does not mean the taking away from existing enterpreneurs, their business rights and giving them to new Bumiputra businessmen. No! In our present *expanding* economy, there are *ample opportunities for all*, and this is the spirit which I would like to see permeate the private sector of our economy, a spirit of *joint venture*, particularly, in all the new and expanding enterprises which are at present being set up in our country, and this expansion will increase even more in the future. Real co-operation between Chinese, Malays, Indians—all of us Malaysians.

Business is *competitive*. It needs *hard work* and a hard fight to survive, to be successful, and to make profit. All of you know this; and I am sure, you have discovered it from your own experience in business. But let us also think for a moment, not entirely of our personal profits; let us remember this word *"competition"*; the words, *"hard work"* and *"hard fight,"* and apply them in the national context.

As each and every businessman fights for his place or success within the economy of our country, so also, *must Malaysia*, by a *united effort* on the part of our own businessmen, irrespective of what racial origin we may be, must also *fight*, and *work hard*, if Malaysia is to take its rightful place within the frame-work and mosaic of trade, commerce and industry throughout the world. If Malaysia, our country is, to take its proper place in the trade of this world, we must be national in our loyalty, and we must be international in our *thinking!*

National and personal ambitions are essential ingredients and are the motive force behind any successful business, but, nevertheless, at the same time, to compete with the rest of the world, we must *interlace our national loyalty* with an *international liberalism!*

Therefore let us not be so nationalistic that we turn away foreign investors, foreign capital and foreign skills, all of which can play an integral part in our economy and give a tremendous boost to our national programme of industrialisation and our programme of obtaining our fair share of international trade.

People talk about joint ventures. I would like to coin a new expression "joint-joint-venture," of which the three components would be a joint venture between the various races of our country in the business field, and if need be, the third joint encouragement of outside capital. Events in Hongkong, and in other countries

where there is strife and instability, have made big business investors look for other more stable countries in which to invest their capital and modern skills of industrial enterprise. Malaysia is attractive to them. This opportunity must not be missed when the world has so much faith in the stability of Malaysia.

Let us entice the biggest enterprises of the world to come to our shores and set up factories and other trading organisations which in the long run will give Malaysia in this international world of trade, an opportunity to provide more jobs and higher standard of living for our people.

It is my intention, therefore, in collaboration with my Cabinet colleagues, to set up a Commission, the members of which will be drawn both from the private sector and one or two from government, to take a hard look at the conditions under which investors both local and foreign have got to comply with, before they can set up a new venture in Malaysia. Although in the last ten years we have progressed tremendously, we still have a lot of old-fashioned rules, regulations and bye-laws in Municipalities and in States which are a little bit out-dated and are frustrating the would-be business investors.

I hope that with the co-operation of State governments, which constitutionally are largely responsible for the subsidiary legislation regarding the issue of licences, the acquisition of sites for factories, for shops and other industries, we will be able, through the work of a fully representative Commission of Enquiry, to shed the frustrating, out-dated, colonial orientated regulations of the past, and substitute a streamlined method which will speed up investment, both local and foreign, in the industry and commerce of our country.

Allow me in conclusion to suggest a slogan, which, in fact, is the slogan of the very first Chamber of Commerce established in the world in *1912:*

"A national federation working for *good-citizenship*, good government and *good business.*"

"The campaign is not to stop eating rice or to substitute rice, but to produce more of it."

— *Tun Abdul Razak*

THE BACKBONE OF GOVERNMENT

WHAT CIVIL SERVANTS SHOULD DO

A clear understanding of what is expected of all civil servants in their duty to the people is amply touched upon by Tun Razak in this address at the Seminar of Senior Government Officers of Malaysia held in Petaling Jaya on 3rd July, 1967. He brings out in relief the various aspects to be kept to view by the officers to ensure a sound government.

I would like to begin by re-quoting my own words spoken sometime ago.

> "With the setting up of Malaysia and the working out of the practical mechanics of the relationships between the Central Government and the Governments of Sabah and Sarawak, there have been what I might call administrative teething troubles. From time to time, there have been delays in communication and this has resulted in occasional frustration, both in State headquarters and at Federal headquarters in Kuala Lumpur.
>
> There has, however, been a steady improvement in the administrative machinery, but, for even greater improvement, greater co-ordination and greater co-operation, I propose sometime later this year to hold, either in Jesselton or Kuching, or perhaps in Kuala Lumpur, a Malaysian Government Seminar lasting several days. At this Seminar, each one of us who has the responsibility of administering the Government will be able to meet and discuss with our counterparts any problems we may have connected with our work. We should discuss, suggest and devise ways and means whereby we can speed up and streamline the whole machinery of Government. Particular emphasis must be placed on the development programme machinery, so that the people of Sabah and Sarawak—no matter where they live, in urban areas or in remote rural areas—will get the best service and the quickest service that all true Malaysians, can give to one another."

In your talks and discussions, an honest effort must be made by both Federal and State officers, to try and close the gap of the machinery of government, State as well as Federal, to ensure that all our Malaysian citizens in Eastern Malaysia, get from us

the best service possible *both in development and in administration.*

It is perhaps, unfortunate that the timing of this Seminar coincides with political developments in Sabah, where members of U.P.K.O. are making an unnecessary fuss about the conditions as laid down in the Inter-Governmental Committee Report, when Sabah first joined Malaysia. I do not want to talk at length on the political situation. It should not affect you as civil servants. Politicians may *come* and *go*, but, the *back-bone* of administration is vested in the hands of civil servants who are the permanent back-bone of any country.

This Seminar is a stepping stone to try and streamline the machinery of government between the Central Government and State Governments, particularly, of those in Eastern Malaysia, so that we can go about our job with *new* vigour and with *new* understanding and tackle our problems, *vis-a-vis*, States and Central Government as expeditiously as possible with the maximum amount of speed and minimum amount of paper work! The first condition to achieve efficiency between the Central and State Governments, is a condition of *understanding*, and I feel that the more contact there is between State officers and Federal officers in every Department throughout the whole structure of Government, the nearer will we be to the goal which we all wish to achieve. A smooth and efficient administration will be given to the people of Sabah, the best that we can give them, not only in the field of development, but *also* in the field of day-to-day administration.

This Seminar must not be merely an *academic* exercise. It is more a "getting together" with frank, free and *un-inhibited* discussion, with the object to achieve a *greater* and *deeper* understanding, not only of the development aims of Malaysia, but *also*, to answer the question: How we can, by *closer State co-operation* and *Federal co-ordination* set Malaysia a *faster pace* on the path of progress? All of you concerned with development, should by now know our development plan by heart; and it should be *a working part of your mental system*. It is necessary that there should be more of a discussion to clear up any doubts that you may have on the *implementation* of our Development Plan.

A talk on Development Administration, should necessarily arouse your minds as to how you can, in your day-to-day work put *more push and punch* into the administration of our country!

The Minister of Labour's talk to you on "Labour Policy", with emphasis on East-West Malaysia, should be interesting. *Immigration* remained as a State subject, because there was always a fear on the Sabah and Sarawak joining Malaysia, that there would be a tremendous influx of immigrants from Singapore and from West Malaysia. This fear was unfounded, for our problem now is how can we make people to migrate to Sabah and Sarawak, preferably skilled labour, in order to go ahead with the task of development. His talks should add to the *value of your experience and knowledge*, towards solving the shortage of skilled labour which exists in Eastern Malaysia, and which is, in fact, not only putting up prices, but also *delaying* development.

As to *"decision-making"*.

The making of decisions is the most simple part of the process but what one is most concerned with, is the *implementation of these decisions.* Our development plans have been thought out, our decisions, on the direction on which Malaysia is going to progress, have been made.

Our *chief concern*, should be to so *galvanise each and every officer* concerned with these decisions as to implement them in the *shortest* possible space of time!

The *role of the Civil Service* in a developing country is a subject very near my heart.

My views on the working of a Federal Government may be expressed as follows: "I never, if I can help it, travel in a plane with only *one* engine; I don't feel secure. The *more* engines the aeroplane has, the safer and more secure I feel, because the *more* the engines, the more the *thrust*, the *drive* and the *power!*"

This principle should also apply to a country like ours which is a *Federation.* If you compare it to an aeroplane, we have not just *one* engine to propel the policies of the government, policies of development and *policies* for *progress;* we have 14 engines, if you regard Federal Government as one engine and every State Government as a separate *boosting charge* with *14 engines* helping us on the way to *progress.* Although an aeroplane may have several engines, that in itself does not guarantee that it can rise to great heights.

The important thing to achieve speed and power is that each and every engine must be perfectly tuned in unison, because if

one engine is out of step with another, the chances are that the aeroplane may crash. So it is, with this Federal form of government which we have adopted and practice in Malaysia. As Malaysia flies on its way to progress and prosperity, we have got to make sure that all our *engines*, in other words, all our State governments are perfectly in tune with each other and the central engine, the Federal Government, and the purpose of my visits to each State is to adjust the timing and tuning so that with speed and efficiency and with power, we can get Malaysia into orbit, and reach the altitude of success higher even than our hopes.

If, therefore, Malaysia is *really going to progress*, we must not only streamline the Central Government, but also, ensure that each component part of our Federation, *each State* Government is also streamlined and *up-dated* to shoulder the task of tackling the problems which face us on the path of progress, and be able to give our people the best service within our ability. This, really, defines the reason behind this Seminar, and I hope that you put all your energies into *capturing this spirit* behind the making of Malaysia.

"*Identifying administrative problems between Federal and State Governments.* This should be the crux of your coming together.

Speak your mind during this discussion, so that we will be able, as a result of your group-findings, to pin-point any defects in the present administration of Malaysia.

On the subject of "Politics and Administration." As civil servants, I hope you will stand up to us politicians, and not allow yourselves to be dominated by us, because in a true Democracy, the civil servant has a duty to perform.

I speak from experience, having been a civil servant myself; to place fairly and squarely, facts before the politician, based on balanced, unbiased judgement, which the politician "can take it or leave it" as he so wishes. After all, civil servants are pensionable; you have nothing to lose; politicians are *not* pensionable; they come and go.

The future of our country's democratic way of life is dependent on you to a certain extent. You must become lively, active, balanced and unbiased civil servants, able to serve our government with a *spirit of dedication* on the one hand, and on the other, *a lively mind!*

We have inherited by virtue of our colonial heritage, a Civil Service which is too much tied to paper and desk. This attitude of mind must be adjusted in keeping with modern times, if Malaysia is to survive and succeed in its present battle for Development.

"Education and its role in Nation-building." Perhaps, it is one of the most important aspects in the process of national development.

I say this, because, although we are a country abundant in natural resources such as tin, timber, rubber and iron ore, our greatest resource *lies* really in the *resources of our own people.* We, in the last five years of our development, have invested a tremendous lot in our economic infrastructure. Now we need to strengthen our nation by investing in our youth.

The future of any country, which is dependent upon the will and wisdom of its citizens is damaged when any of its children are not educated to the full extent of their talents from Primary school to Secondary and higher education. The trend of our development, at the moment, having laid the infrastructure is, therefore, focussed on an investment in human skills.

One question remains to be answered: "How can we, both the elected politicians and government servants, *improve, streamline* and *speed up* the efficiency of the administration and development of our country—Malaysia.?"

I am happy to know that the National Family Planning Board anticipates that by their current progress, birth rates will drop by 2% by 1985, that is 0.2% lower than that projected by the Government. If this can be achieved, then it will undoubtedly take us far ahead of all developing countries. If we succeed in doing this, then clearly before the end of the century we will be able to eliminate poverty, ill-health and illiteracy among our people and to build a modern society and a happy and contented people.

— *Tun Razak in launching National Planning Week in Kuala Lumpur on 8th June, 1968.*

THE SILENT REVOLUTION HERE

THE TESTS THAT MALAYSIA FACED

On the occasion of Tun Razak's visit to Australia in April 1967 he spoke at the International House, Melbourne on his country's steady but sure path to fruitful independence despite the struggles and obstacles brought about by militant Communism and difficult domestic conditions. He attributes this success in the following speech to a competent and fair policy by the party in power.

Malaysia and Australia have many things in common and we also face common problems in this turbulent region of Southeast Asia. We believe in Parliamentary democracy and a free enterprise system of economy. We have a common desire for peace and international co-operation. We support strongly the principle that each country should be free to pursue its own way of life.

Malaysia has been independent for almost 10 years—half the time in the name of Malaya and the other half in the name of Malaysia when the states of Singapore, Sabah and Sarawak decided to join and form this new federation. Of course now Singapore is separated from Malaysia.

Ten years is perhaps but a breath in the human scheme of things but in the anxious and turbulent times in which we live in this region of Asia no nation is allowed the comfort of a sheltered childhood or the luxury of an easy going and irresponsible adolescence. From the moment of our birth when our flags were hoisted as the midnight hour chimed on the 31st of August 1957 the facts of survival were thrust on us.

First we have to fight against communist insurrection and when we defeated this insurgence we were again faced with another threat, this time from outside the country, by the old order of Indonesia inspired and instigated by the communist party and the Peking communist party. Therefore Malaysia has had its share—perhaps more than a fair share—of trials and tribulations in its brief life as an independent nation.

However our energy and resources, our faith and our unity were put to the test in the great task of defending our sovereignty and of consolidating our independence.

In retrospect we may now take comfort in the fact that having been through the fire of militant communism we have, like steel,

been tempered to a high degree of tinsel strength. We have learned to steel our nation against subversion by the communists.

During this testing and fateful years and in spite of the fact that we had to devote our resources and our energy to the full for the defence of our country, we never allowed ourselves to forget even for a moment that independence means the ability to govern the country ourselves, to give our people a change in their way of life, a new order of things, a better and higher standard of living. Without all this independence would be meaningless and empty.

It is easy to talk of revolution, it is easy to mesmerise the people with the rhetoric of revolution. It is equally easy for foreign observers to misjudge the tempo and temper of a revolution because they have often listened to what is said and then see clearly what is being performed.

We in Malaysia are not adept practitioners of the oratorical art. We believe in action and in deeds and not words. We believe that the winds of freedom must not only destroy the debris of the old order but also release the creative energies of our people to work our ploughs and our machines. We decided that we must embark on a gigantic development programme to give our people the amenities of life necessary for a decent living.

We built schools and hospitals both in urban and rural areas. We constructed roads and bridges, we opened up land for the landless in order that they could have a proper means of livelihood. We must act, we must produce results. We must find sources of industrial power, we must diversify our economy. We must revitalise our culture and our art and our music. We plan but at the same time we make certain that our plan is successfully implemented.

Ladies and gentlemen, if we merely talk, if we merely seek to enjoy the glamour of independence or we merely attempt to divert the frustrations of our people instead of meeting their expectations, then when that inevitable moment of retribution comes, we shall deserve no sympathy and no help for we shall have forfeited the faith of our own people.

Malaysia lies in the heart of Southeast Asia and has historically been the bridge of communication between East and West Asia, between Europe and Asia, between Europe and this island continent of Australia and the Pacific area beyond. Malaysia occupies a strategic position on trade as well as military defence

routes. This fact of geography is also reflected in the composition of our population which numbers about 10 million, of whom half are Malays, 40% of Chinese origin and 10% of Indian and a mixture of Kadazans, Dyaks, Ibans, Europeans, Eurasians, Arabs—indeed practically all the races of the world.

We find this diversity of races exciting and stimulating but at the same time challenging. The immediate problem of bringing together people of different races, different languages, different religions and different cultures poses challenges as well as opportunities charged with emotion. However since Independence we have been able to sit down around the table from time to time and discuss in the calm atmosphere of the conference room our various problems and have been able to find solutions. The present Government consisting of leaders representing the three major races of Malaysia, Malays, Chinese and Indians, have been able to look after the sensitivities of each racial group of our plural society.

We have solved our problems in a spirit of mutual trust and confidence, free from passion and prejudices and away from the heat of inter-party struggle in the political arena. We have solved a number of sensitive issues. In the field of education after we achieved Independence, there were different types of schools using different languages and different syllabuses. However under our national education policy we were able to bring all these different types of schools under one national system with a common content syllabus channeled towards educating our children of various races so that they become useful and loyal citizens of our country.

We have also solved the citizenship problem by providing those who regard our Malaysia as their home and object of loyalty facilities to become citizens and to cut off completely links with their country of origin.

Recently we solved the language problem by making Malay the national language and the official language, while at the same time we allow the use of English as the international and commercial language in certain fields of administration and institutions of learning while the national language is being enriched.

We also give a place to the other languages, Chinese and Tamil, and guarantee that they can be used and studied.

As I said, we solve these immensely complex and sensitive problems by working patiently and quietly on the ground, by

removing the causes of friction, by creating an atmosphere of mutual trust and confidence, by sincerely upbringing and educating our people towards working closer together in friendship and harmony.

An important element ensuring the stability of our plural society is a healthy and expanding economy. As you know, among the developing countries of Asia and Africa, Malaysia enjoys one of the highest standards of living. However this comparative prosperity is dependent largely on two major products, rubber and tin, which are subject to the fluctuating demand in the international market. The price for our rubber has been rapidly declining in recent years due the challenge by synthetic, and as for tin, although the price decline has not been as bad as rubber, the known reserves of tin are depleting.

The downward price trend for our two main export commodities poses real problems to us—problems which you in Australia can readily understand because you too for a long time depended on a narrow based economy, the base being the back of your famous Merino sheep.

In the same way as you decided to diversify your economy years ago, we are now in the course of diversifying our economy. We are doing what we can to diversify the agricultural sector, but equally we are in earnest on industrialisation.

In this respect we find ourselves thinking and acting on your example. During the post-war era we witnessed a remarkable upward surge of your economy, and you have gone a long way in diversifying and industrialising your economy. The progress you have achieved and the development both in your cities and in your rural areas stand today as testimony to the soundness of your system and the success of your policy.

We in Malaysia look to Australia very much in the same way as you looked towards the United States after the war as a source of private investment. We are encouraged to do this for not only is Australia a friendly and understanding neighbour but she is also an important trading partner of Malaysia. In fact Australia was the first country with which we entered into a trade agreement soon after Independence and our imports from your country have increased considerably in recent years.

I feel there is no dearth of investment opportunities for Australian financiers and industrialists in Malaysia and we would like to see more Australian investment in our country for we offer

investment opportunities as good as if not better than those found in most countries in Southeast Asia.

Ladies and gentlemen: in the public sector of our economy we have been particularly successful in pushing forward development, and our people both in the rural and urban areas have been able to enjoy a measure of happiness and progress.

We have evolved our own techniques of development plan administration which have proved a success. Over the last few years we have been able to bring real and dramatic changes to both rural and urban areas. We have been able to some extent to narrow the gap between the have's and the have-nots. However there is still much to be done and we are determined to do more.

That is why we are grateful to our friends overseas, particularly Australia, for the help that they have given us in a number of ways, particularly in the field of development. I can assure you in Australia and our other friends that we have the capacity and the determination to carry out development, and moreover aid that may be given will be put to good use.

We in Malaysia believe that the first basic for economic development is the type of political leadership that can channel emotions and energies of our people towards development and progress and not waste national emotions on non-essential rabble rousing. We believe that political stability and economic stability are synonymous and inseparable. That is why in Malaysia we have been able to carry out economic progress successfully, to build our country into a self-reliant and economically viable country free to take her rightful place among the free nations of the world. We in Malaysia are determined that by our own efforts and with the assistance of our friends to continue to make progress on the road which we have successfully travelled this far to ensure the dignity and progress of our people.

We are determined to do this through our system of Parliamentary democracy which we strongly believe is the best system of Government ever devised in the long history of man.

Thus, ladies and gentlemen, you can see that Malaysia, a small country, comparatively young, is determined to channel the emotions of our people into positive action, to wield together our people of various races into a united nation to make the democratic system work and bring economic and social benefits to the life of our people. I think we can justly claim that these efforts have so far been successful and we are now well launched, but

the difficulties ahead are many and complex. I know our efforts are being watched with sympathy by our friends and with cold eyed calculation by communist elements in our midst and beyond our boundaries. If we make any mistake or if we stumble or slacken in our determination to move forward then our enemies will take immediate advantage to strike at us.

We are determined not to fail. We have a clear picture of the kind of society we want, a society where there is democracy, economic and social progress with unlimited scope for individual talents and enterprise. I hope, ladies and gentlemen, I have given you the true picture of our country, of the problems that we have to face and the way in which we intend to solve these problems. I do want you in Australia to understand our problems and our difficulties and our determination to give our people the happiness and prosperity they desire and to share in our hopes and our efforts in maintaining peace and stability in this region of Asia to which both you and we belong.

CALL TO NATION FOR UNITY

NEED TO NARROW THE GAP BETWEEN THE HAVE'S AND HAVE-NOTS

In his Hari Raya message to the nation in January 1967, Tun Razak pleaded for unity and understanding among the different racial groups living in this country as Malaysians. He said that Malaysia's future and its very existence as a strong, firm and united nation depended on our success in uniting the various races of this country and in creating a true and just society by narrowing the gap between the have's and the have-not's.

The year 1967 has been a historic year because last August we were able to celebrate 10 years of Merdeka and the Malay Language also became the sole Official and National Language of the country. We have celebrated Malaysia's Tenth Merdeka Anniversary in a grand manner and for a few days and nights the entire population observed the National Day with joy and pride. During the 10 years of Malaysia's independence we have achieved a great deal of progress in all fields and all Malaysians of different races and religions have derived many benefits from

the changes which have taken place especially in the economic field. We do not intend to praise ourselves but nobody can deny the fact that during the last 10 years, we in Malaysia have achieved such progress which no country has been able to achieve within the same period of time and after being under colonial rule. This is a fact recognised by friends as well as foes. We thank Almighty Allah for His Mercies towards Malaysia and its people.

With more experience, with stronger determination by all the people, with the honesty of those who govern and with officials discharging their respective duties and with God's blessing, I believe we can achieve much more progress which will not only satisfy but provide many more benefits to all Malaysian people.

One of the Alliance Government's fundamental policies is to create and establish a just and liberal society in which all Malaysian people, without regard to their origin, will enjoy equal rights in the economic, social and educational fields as well as equal responsibilities. Those who are economically weak, regardless of race, should be assisted in order to ensure the peace and prosperity of the nation. It is also important that those who are backward should be given a living standard befitting the ra'ayat of an independent and developing nation. Our future, our existence as a strong, firm and united nation, to a large extent, depend on our success in uniting the various races of this country and in narrowing the gap between them. The most important factor is for all of us to strive for our objective—to create a true and just society and to satisfy all sides by narrowing the gap separating the have's and the have-not's in this country.

1967 would have been a memorable year for us but for the disturbances in Penang and other areas in the north of West Malaysia. Our good record and our image during the 10 years of independence as a model country of inter-racial understanding in this troubled world, have been marred. We are sad because

OPERATION SELF-HELP



Tun Razak watching a group of Kampong people at work in Kuala Pilah, Negri Sembilan, during Operation Gotong Royong (Self-Help) on 8th May, 1967.



More and more low-cost flats are being provided by the Government for the lower-income group of people. Here Tun Razak is seen declaring open the Razak Mansions at Jalan Sungei Besi, Kuala Lumpur on 26th April, 1967.

these disturbances took place during the time of the expansion of our country's good relations and when its friendship is sought and needed by the outside world.

These incidents were created by bad elements, who do not like to see this country progress and maintain peace, and its ra'ayat of various races living in harmony and friendly relations with one another. These incidents have claimed many lives and resulted in a big loss to property and economy. This is an example of how a small group of extremists can easily wreck the peace and unity of a nation. They are responsible for the outbreak of the conflicts which almost spread throughout the country. They have come to stay in this country, but they are not loyal to Malaysia; and the citizens of Malaysia involved in this affair can be considered as traitors to the unity of the nation.

The Government has taken firm steps against this group and it can be said that all those involved in the disturbances have been arrested. Those who are not the citizens of Malaysia but living here will be deported to their respective countries. Those who have obtained citizenship through naturalization or registration will be deprived of their citizenship because they have shown clearly that they are not loyal to Malaysia. They have thus themselves to blame for losing their citizenship.

We are grateful to God that the situation is now back to normal. It is important for all of us to strengthen inter-racial unity and to be on guard at all times so that we may not be easily influenced by subversive and undesirable elements who are trying to disrupt the unity of the ra'ayat.

We realise and regret that should there be a further outbreak of violence, similar to the recent incidents, the poor and the innocent are the people who will be facing the hardships, get killed or injured. There are members of the Opposition parties who are involved in these sorrowful incidents. Members of responsible political parties, such as the UMNO and Alliance (UMNO, MCA, MIC), always attach importance to peace and order in the country, and aim at strengthening the unity of the ra'ayat and ensuring that their happiness is not affected. It is

only through peace that we can preserve our country's continued progress and see that the people receive the necessary amenities. It is clear to us all that the policy of the Alliance—the policy of inter-racial unity—is the only way of ensuring peace and order and of governing this country with complete success. In view of this, I call on the ra'ayat of this country, especially members of UMNO and Alliance, to strengthen our party and to become the true saviour of democracy and oppose anti-national and anti-Malaysia activities and undesirable elements.

On this auspicious day let us all renew our determination to live in friendly relations with one another and work together towards preserving peace and harmony in the country. Let us all make our country a harmonious multi-racial nation and create a nation of true Malaysians whose loyalty is only to this country. Let us all pledge, to become patriots and oppose all efforts from any source aimed at disrupting the racial unity and destroying the solidarity of Malaysia. We must be determined, vigilant and hard-working, and change our thoughts and outlook. We must be confident that the policy adopted by our Government, to make this country a democratic nation, is the best. Therefore, let us all jointly make a concerted effort to ensure the progress and happiness of our country.

In a country like Malaysia, with a developing and progressing multi-racial society, we must have a "collective will" of moulding a nation with one loyalty, and a country with one leadership to meet the needs of the people. It is up to the people to show this "collective will", otherwise they will not survive as a strong nation capable of overcoming the difficulties that must be faced in the development of the nation. I realise that this "collective will" does exist among the ra'ayat and we are in a position to check any threat if the ra'ayat and Government continue to co-operate in fighting the enemies of the nation.

We know that the majority of the ra'ayat are loyal citizens and that there is only a small group of extremists and trouble-makers. It is, therefore, important that we must always be on guard and vigilant so that this small group will not be able to spread its influence.

The spirit of brotherhood and goodwill is very important to the progress and solidarity of Malaysia. The ra'ayat must think

deeply of the disaster that will befall us if we allow these anti-national elements to prowl and disrupt the peace in the country. The ra'ayat of Malaysia must change their thoughts and strengthen their unity in order to guarantee the continued existence of Malaysia with more and more progress day to day.

I hope that with the inter-racial tolerance and understanding we can strengthen the true national basis of Malaysia and I am confident that in two or three decades a true and perpetual Malaysian nation will emerge. Efforts in this direction are being made by the Government and it is hoped that the ra'ayat too will show the same determination.

At this juncture we must think of ourselves not as a Malay, Chinese, Indian or Eurasian but as a Malaysian in a nation which is in the process of creation. In view of this there must be co-operation and understanding to smoothen and speed up the creation of a true Malaysian nation. We are determined to live as a strong, united and prosperous Malaysian nation so that when the history of developing countries is written, it could be clearly noted that Malaysia is always in the lead as a country which has taken adequate steps to preserve democratic principles and constitutional administration and as an example of a country where the ra'ayat of various races live in good relations and harmony.

As an independent nation we will have to face many problems, and recently we have been affected by an economic recession—the fall in rubber price. This cannot be avoided because of the existing situation in the world today. But we confidently believe that through the efforts and wisdom of our Government, this problem could be overcome. While facing any problems, we should not forget that our country has progressed more than other developing countries. We must not forget the blessings of God in the past and with the expression of our gratitude we can confidently hope that God will bless us even more in the future.

Let us not forget our responsibilities and let us renew our determination to make Malaysia a strong and progressive democratic country where its ra'ayat of various races live in friendship and unity. In this way only can we make Malaysia a peaceful, progressive and prosperous nation.

MALAYSIANS NOT SUFFICIENTLY "ANIMAL CONSCIOUS"

Tun Razak criticised Malaysians, especially the rural people for not being sufficiently "animal conscious". According to him, they do not fully realise the benefits which can be obtained by them if they took more interest in the breeding of better livestock. His speech at the second annual conference of the Association of Veterinary Surgeons in Kuala Lumpur on 1st July, 1966, follows.

Your profession may not be the oldest profession in the world, but it has been in existence since the earliest times.

I know that the word *Veterinary* comes from the latin word *Veterinarius* which in English means "pertaining to beasts of burden," and even as far back as the year 234 B.C., there were Romans and Greeks in your profession who wrote books on Veterinary Science and Animal Husbandry.

I have never been able, in my own mind, to differentiate clearly between veterinary science and animal husbandry, and I was even more confused the other day, when I met a lady at a party who referred to her "*animal husband*" because I did not know whether this reference to "animal husband" meant that her husband was a *veterinary* surgeon or merely that he behaved like an animal in his marital relations!

Later I discovered that her husband was not only a qualified Veterinary Surgeon, but that he had given up practising as a Vet to become a Police Officer, and, late one night his telephone bell rang and his wife answered.

She asked, "Do you want my husband in his capacity of a Veterinary surgeon or as a Police Officer?"

"Both Madam," came the reply. "We cannot get our new watchdog to open its mouth and there is a thief's hand inside it!"

However, to refer to the more serious aspects of veterinary science and animal husbandry, I should like to remind you all that as members of your profession you have a very great and important part to play in the implementation of our First Malaysia Development Plan, with particular reference to our national aims in Rural Development.

In our last Five-Year Development Plan, considerable progress was made in this field. In 1960, the total value of animal products produced by our local animal industry was worth only about $180 million, but over the five-year period, its value has increased to no less than $350 million. This constitutes a 9.5 per cent growth per annum.

This record of achievement in animal husbandry must be maintained, sustained, and *even increased* in the present Plan period, if we are to ensure an increase in the income of our rural people, by helping them to raise more and better quality livestock, *not only for sale*, but also for their own needs so that they can live on a higher animal protein diet, thus improving their health, and, at the same time, improving their standard of living.

To achieve this aim, the animal husbandry programme for the First Malaysia Plan involves an expenditure of $28 million for Malaya, $2.1 million for Sabah and $3.7 million for Sarawak.

An animal Production Institute will be established in Malaya for research into pastures and the physiology and production of fast maturing livestock.

At animal husbandry stations throughout the country, the number of which will be increased during 1966-70, breeding schemes will be undertaken for the development of improved breeds of goats, sheep, buffalo, dairy cows, beef oxen and pigs.

The transmission to farmers of the results of the research activities of the government and knowledge pertaining to improved techniques of livestock husbandry and poultry raising will be carried out through extension services and training courses at animal husbandry stations and veterinary centres throughout the country.

Provision has been included for the establishment of several additional veterinary centres. The development of two dairy colonies at Batu Arang in Selangor and Pantai in Negri Sembilan will be completed. The two schemes will cover about 2,800 acres and accommodate about 2,800 head of cattle. Besides the advantages of resettling dairy farmers and improving their production methods, the project will be useful for experimentation into large scale tropical dairy farming.

In order to demonstrate the economic and technical feasibility of animal by-product industries, the Federal Veterinary Department will operate in Malaya an abattoir service on a pilot basis. This service will undertake the slaughtering of meat animals on proper lines and the utilisation to the fullest extent possible of by-products.

That, ladies and gentlemen, briefly is the summary of our present national aims in the field of animal husbandry, and there are one or two aspects of it which I should like to stress, I would like to suggest that from time to time, your association discuss in your meetings and suggest and put forward to government, ways and means whereby the implementation of this Plan can be made more and more effective.

I do not think I am being unfair to our rural people when I say that as a nation we are not yet sufficiently "animal conscious", and that those of our rural people who own livestock of one kind or another, do not fully realise the benefits which can be obtained individually by them if they take more interest in, and pay more attention to, the breeding of better livestock.

We are still importing a tremendous amount of meat and other livestock products, and if our rural people would only realise that, in addition to paying attention to their rubber, paddy and other crops, they paid *equal attention* to the breeding, by correct methods, of increased livestock holdings, they would not only increase their income, not only be able to bring up their children on a more nutritious protein diet, but would also be doing a service to the nation in allowing us to cut down our importation of animal products and thus save valuable foreign exchange, and, at the same time, increasing our national economic stability.

There are thousands and thousands of acres of land reserved and set aside as animal grazing grounds throughout the whole country. It depresses me to see on my tours on rural development, that these large areas are *still under jungle*, while the livestock belonging to the kampong people roam freely uncared for and unheeded. I would like to see all veterinary officers in this country, supported by State Governments, make a determined effort, combined with a determined campaign, to get across to the rural people, the correct methods of breeding livestock and the correct use *of this vast unused acreage* of potential grazing ground.....

I, therefore, suggest to your Association that you work out an "Operation Order" for a massive national self-help programme to turn these grazing grounds from vast stretches of jungles into efficient, well-fenced, well-cared for grazing grounds, and, I am sure that it would be quite easy for government to supply finance for the necessary material such as fencing and posts, and then it is up to the members of your profession to indoctrinate livestock owners with enthusiasm and obtain their co-operation both physically and mentally to carry out by self-help "gotong royong", and learn to breed wellcared for animals of both market and nutritional value.

Another aspect in the implementation of our animal husbandry programme, within the framework of our National Development Programme, is that, we must not *over-spread our resources by doing* too little over a large area, with the result of *no impact*.

Better that we concentrate our forces of development in animal husbandry in certain areas so that the impact is both effective and apparent, and then apply the same principle to other areas.

This association of professional Veterinary surgeons, can, if it is alive and active, generate ideas, suggestions, and intentions, which could have considerable impact on our national development implementation.

What is required at this stage of our development is to instil a spirit of self-reliance and to ensure that every single person in our country realises this fact. We can, if we determine to be the fastest developing country because our natural resources are abundant but what is now required is the spark of life to electrify the human contribution to our task of nation-building. In other words, Gerakan Maju is an exercise for the "re-discovery" of the latent talents which we know exist in abundance in every heart, mind, and body of our people.

— *Tun Razak in a talk to members of Gerakan Maju National Committee, heads of all departments concerned with extension services and to all State Development Officers.*

A CHEQUE FOR AMBUSH VICTIM



Tun Razak visits the General Hospital, Kuala Lumpur on 19th June, 1968, to see the policemen injured in an ambush near Malaysia-Thailand border. Opportunity was taken by the Tun to present this patient a cheque on behalf of the Malaysian Government.

THE DEFINITION OF SOCIAL WELFARE

DUAL CONTRIBUTION BY GOVERNMENT AND THE CITIZENS

The concept of social welfare within the framework of parliamentary democracy was explained by Tun Razak when he addressed the Conference of National Council of Social Welfare in Kuala Lumpur on 27th April, 1966.

This conference, which I am about to open, is essentially *human*, the getting together of all you people here today who are concerned with the welfare of our people. I see from your programme that the main object of your conference is to understand the concept of Social Welfare.

My concept is a *dual contribution*, both by Government and by individual citizens; firstly, on the government side, included in our current Malaysia Development Plan, the area of social and community services and a variety of programmes designed to promote the welfare of our rural and urban population by providing improved housing, community facilities, welfare and other services.

My real definition of Social Welfare is not so much what government does, but the contribution which can be made by voluntary organisations. And what I mean by voluntary organisations is real, one hundred percent voluntary service.

There has been a tendency in the past for welfare organisations to become glorified "post offices," depending on government funds, and their function being merely to re-distribute government funds; but for a democratic country like ours to survive, we need our voluntary organisations to have functions more than that of a "post office." They must become self-reliant.

Let me explain what we need. It is this. We need economic progress; we need economic prosperity; we need material progress; we need cultural progress; we need educational progress, but even more important in addition to this, we need, each and every one of us from the University Professor, from the voluntary worker down to the less fortunate of our brethren; a psychological change of attitude which will accommodate the resultant change brought about by the implementation of development plans by our Government.

This does not mean that I and my government do not fully appreciate the great work which has already been done by a large

number of voluntary organisations and voluntary workers throughout our country. A developing country like ours demands greater initiative and sacrifice in the field of voluntary services.

Deep in the hearts of our people, both in the rural and urban areas, there is a *living* awareness of development; a new spirit born of the taste of progress and prosperity which we must capture and harness, this new awareness in our new nation. This is the chemistry of development.

You know, however, that in chemistry, the role of the catalytic agent is important. One can have all the necessary ingredients for a chemical reaction, but if the *catalyst* is not present, nothing will occur! With the presence of the catalyst, change and reaction take place. I visualize voluntary organisations playing the role of the catalyst, becoming the "boosting charge" for development.

To play this role will require a change from the concept of social welfare as narrow public assistance to constructive approach to community organisations in the solution of social problems. Then, democratic behaviour as a social force will be unleashed.

But I must warn you that this chemistry of development to which I am referring is *not* an experiment in a well *controlled laboratory.* We are not dealing with chemicals; we are dealing with *human-beings;* we are not dealing with inorganic agents; we are dealing with human lives, and human aspirations; we are dealing with *vital life forces*!

Ladies and Gentlemen, we are not engaged in an academic exercise. Let me put it simply.

I do not pretend to be a social scientist, but I know full well that in the last 20 years the sciences have made enormous progress, from launching missiles to understanding more about what makes human beings behave the way they do.

Given the fact that we know more about human-beings, what can we, who are concerned with social welfare, do about developing healthier and more satisfying community organisations: healthier and more satisfied human-beings.

We have a community development programme. What do our social welfare workers, both within Government and voluntary organisations have to offer these programmes?

What can social welfare workers do in a constructive and positive way rather than in a remedial patching up of our social disorder when it occurs. We in Malaysia are practised in the art of counteracting aggression. We have shown our ability to

ward off militant aggression during the emergency. We have shown our ability to cope with it effectively during the period of Confrontation.

It seems to me, ladies and gentlemen, there is a parallel here. Government fundamentally has positive plans with which to serve its citizens, but in the past we were forced, by circumstances, to take patch-work action to meet a negative situation, instead of having a full opportunity to go ahead with positive social welfare development.

Social welfare traditionally has confined itself primarily to the narrow concept of public assistance. We must go beyond this.

As in the case of our positive economic development, we have a positive programme and a definite direction in which we are moving. So also in our social welfare programme we must be more creative and produce more positive plans. It seems to me that social welfare must think creatively and constructively about a fresh positive role for itself.

This, I say, is the task for your conference. I regard our present national and human endeavour as vital, not only to bring about change for the sake of change, but to bring about change for the well-being and prosperity of our people. Thus the battle for Democracy which is being fought in every Malaysian home and in the hearts of all our citizens will be won!

THE RESPONSIBILITIES OF YOUTHS

ULTIMATE AIM: TO CREATE ONE PEOPLE

At the Chinese Assembly Hall, Kuala Lumpur, on 25th February, 1966, Tun Razak called upon the Malayan Chinese Association youths to work hand in hand with the U.M.N.O. and M.I.C. youths to bring about unity of purpose, unity of thought and unity of achievement.

The basis of the Alliance policy is to bring about goodwill, understanding and unity among the various races who have made this country their home. We were once under colonial rule and then we became independent. We are now the masters of our country and it is for us to make it or mar it. You all here are young men and women who will soon be taking over responsibilities from us to lead our party and to lead the country. Our

future and everything that we have now and stand for will soon be in your hands, that is why it is very important that for the future of our party that our Youth Section, should be strong because the future of our party and the country lies in their hands.

It has been our avowed aim to serve our people of various races, to give everyone of them a proper and rightful place in our country and to give them a decent standard of living compatible with a civilised society. No doubt we had a number of difficulties, controversial, delicate and sensitive issues to be resolved.

We shall be able to resolve all the difficulties in a spirit of goodwill, understanding and friendship.

Everyone thought that it was not possible to bring together the various types of schools with different languages together under one national system of education but with patience, understanding and goodwill we were able to produce a national education policy, a national system of education formulated to give our children the best education possible to make them useful and loyal citizens of our country. Under our education policy every type of schools has been brought under our national system of education and has been given equal treatment.

Also we faced two Emergencies. The first Emergency was brought to an end within two years of our independence and our closest neighbour, Indonesia, decided to confront us and for more than two years we had to face another emergency. However due to the loyalty of our people, the courage and bravery of our Armed Forces and the Police assisted by our friends in the Commonwealth we were able to defend our borders and our shores. Despite all these troubles our Government has been able to carry our development plans so that our people of various races can enjoy better amenities of life and a better and higher standard of living.

Our Second Five Year Plan was implemented so successfully that we have even exceeded the target we set ourselves in 1961.

What is more, now.

The future of our country depends on one important thing, that is on the unity of our people of various races. Under the Alliance our people, Chinese, Malays and Indians have learned to regard one another as friends, brothers and sisters.

It is our duty to continue to build on this unity, to strengthen it so that ultimately there will emerge a really united nation from our people of diverse racial origins.

We belong to this country. This is our home and it is our determination to make this country a happy, prosperous country for all of us. Quite naturally because we belong to different racial origins there are points of difference among us, among Malays, Chinese, Indians and others. Let us try to minimise these differences. Let us focus our attention on matters on which we all agree, on our similarities.

Now under our national education policy, children of all races are being educated under the same roof, learning the same thing in the same way. You young people must try to do things together, things that would strengthen the unity, the goodwill and understanding of our people.

Our people of various races Malays and Chinese in particular know that they need each other, they depend on each other and that is why co-operation and harmony between them are so vital to the future peace and happiness of our country. If there is trouble, there is racial differences, racial animosity, we all shall suffer, irrespective of what we are. The richer will suffer more than the poor but all will suffer and not one will benefit.

Our other objective must be to defend our beloved country Malaysia. Our Armed Forces have shown courage, bravery and loyalty in the defence of our country. I have no doubt that if you all continue to stand together we shall win over any confrontation. If the 10 million Malaysians are determined to live and survive as free and independent people then no force in the world can stop them.

We have also to continue with economic development to give our people a fair deal, a better and higher standard of living—a fair and just society in which everyone has a rightful place. During the last five years we have done much in this field, we have developed techniques of carrying out development which are appreciated by nearly all countries of the world. Our techniques have produced results beyond our expectation. As you all can see there have been changes, progress and development in every part of our country. There is still much to be done, most of our people in the rural areas have not yet enjoyed the standard of living that we desire them to have. Some of our people in the town are not

earning enough to live a decent life. Some of them have no homes of their own. It will be our duty to provide them with all this, and we are determined to do all this.

But our ultimate aim must be to create one people, one nation out of our people of various races. We intend to do this through democratic processes upholding the principle of democracy in which we strongly believe. While we march forward towards this ultimate goal we will continue with our policy of economic development of giving a fair deal to our people, of making adjustments here and there so that everyone of our citizens has a just and rightful place in our society.

ONE OF THE MAIN BRIDGE-HEADS

NEW ORGANISATIONS TO HELP THE BUMIPUTRA

With the establishment of the Federal Agricultural Marketing Authority and the Bank Bumiputra the Government has broken new grounds in its endeavour to reduce the economic imbalance between the rural and urban sectors and to give the rural producers a greater share from the fruits of their labour. This is revealed in the accompanying speech delivered by Tun Abdul Razak at the launching of these two organisations on 30th September, 1965 at National Development Operations Room in Kuala Lumpur.

You will recollect that the Government held the Konggeres Ekonomi Bumiputra in June for the purpose of getting ideas, positive suggestions and views on how to help the Bumiputra to participate actively and effectively in the economic life of the country, especially in the field of commerce and industry. The Konggeres went through all the aspects of the problems and suggested certain steps to be taken so as to enable the Bumiputra

to achieve full participation in the economic life and development of the country. The steps suggested are embodied in the 69 resolutions adopted by the Konggeres.

I am determined to see to it that all the 69 resolutions are implemented. I will also see to it that the implementation of those resolutions is carried out with the vigour and enthusiasm with which the Second Five-Year Plan particularly has been implemented.

I have, therefore, as required by one of the resolutions of the Konggeres, appointed a Standing Committee on the implementation of the resolutions of the Konggeres. This Committee, under my chairmanship, will co-ordinate, direct, and spot-check the progress of implementation of the resolutions of the Konggeres. The Committee, consisting of members and experienced people from the business community and in the field of economics will act as a brain trust, idea-originating body, on matters pertaining to the implementation of the resolutions.

At the State level, I have already asked the Mentri[2] Besar/ Chief Ministers of the States to form similar Committees with a view to co-ordinating the activities directed towards obtaining effective participation by the Bumiputra in the field of commerce and industry. The State Committee will liaise with the Federal Committee on matters and problems of implementation of the resolutions.

One of the main resolutions of the Konggeres was on the re-organisation of the old RIDA and establishment of the Majlis Amanah Ra'ayat. The re-organisation of RIDA is about to be completed and MARA, when the new legislation has been passed by Parliament, will supersede the old RIDA.

I have directed that MARA should give emphasis on assisting the Bumiputra in the fields of commerce and industry.

However, MARA needs not only a good public image and vigour but also talents. Steps towards recruiting young and qualified people into MARA and to pool talents from the business community of this country and from overseas are now being taken. The United Nations Agencies, the Colombo Plan, and other bodies have been approached for the necessary talents, experience and knowledge for the successful running of the MARA. In this respect, I have been most impressed with the response from such bodies.

I am, therefore, proud to say that hardly four months have elapsed since the resolutions of the Konggeres were taken, and while the echoes of the words uttered at the Konggeres are still ringing in the ears of the people in this country, the Government has implemented a substantial number of resolutions. Today, I am going to announce the fulfilment of yet two more important resolutions of the Konggeres i.e., the formation of the Bank Bumiputra and the establishment of the Federal Agricultural Marketing Authority. These two organisations will form one of the main bridge-heads from where the assault on imbalance of life in this country is carried out. The Bank Bumiputra will remedy the lack of capital among the Bumiputra so as to enable them to improve their existing business and encourage them to undertake new enterprises which are expected to accelerate the development and increase the wealth of the country.

In other words, the objectives for which the Bank Bumiputra Malaysia Limited is established are to carry on in Malaysia and elsewhere the business of a Bank with such branches or agencies as may from time to time be determined; to carry on the business in all the branches and departments, and to provide assistance to enterprises within the agricultural sector of the national economy and to the fishing industry in Malaysia in general. The Bank will assist in the creation, expansion and modernisation of such enterprises, encourage and promote the participation of capital, both internal and external, encourage and promote agricultural and fishing industries and ownership of investments therein, and in particular provide finance and credit in the form of loans and advances and make funds available for investment for such enterprises.

The authorised capital of this Bank will be $25 million and the Government has already agreed to give a launching grant of $5 million. It is hoped that the Bumiputra of this country will contribute to the authorised capital of the Bank by purchasing its shares. I also hope that they will make full use of the opportunities provided for through the establishment of this Bank. I am sure that the Bank will operate successfully if it is used not only for the purpose of borrowing money as capital for the promotion of their ventures and undertakings but also as a saving institution so that the savings could be used and utilised for the purpose of developing this country.

With regard to the operation of the Bank Bumiputra, I must emphasise that the Bank will operate on business and commercial

lines just like any other bank in the country. But the unique feature of the Bank is that it will be registered as a Malay institution under the Malay Reservations Enactment and can hold lands in Malay Reservations as securities.

Apart from the establishment of the Bank Bumiputra and the Federal Agriculture Marketing Authority, the Government is now preparing the necessary legislation for the establishment of the National Land Rehabilitation and Consolidation Authority to look after the rehabilitation of uneconomic holdings.

And MARA now is going ahead with the preparation on the establishment of the First National Corporation on Forest Produce. This Corporation will deal with the working out and marketing of timber produce on a joint venture basis with Bumiputra companies.

Through MARA, the Government is providing the necessary training for the Bumiputra to participate and partake in the commercial life of the country. Once they have been trained, they would be able to stand on their own feet and carry out their businesses in a sound manner.

MARA is now preparing plans for the establishment of a new multi-million training college in the new industrial area of Kuala Lumpur which is at the 4th mile, Klang Road.

With effect from today the Federal Agriculture Marketing Authority is officially established in accordance with the Marketing Act that has been passed by Parliament recently.

The establishment of FAMA will serve as a turning point in effecting a marketing improvement programme in this country which is aimed at providing suitable and adequate facilities for efficient marketing of agricultural produce. The FAMA will also undertake research and investigations in order to provide guidance for planning marketing schemes and establishing agricultural prices to ensure fair return for farmers' produce.

The establishment of FAMA marks the 3rd phase of our 2nd Five Year Plan. The new Authority will supervise, co-ordinate and improve the marketing of agricultural produce. This will certainly result in bringing a raise in the income of rural producers whereby they get a fair and just share of their toils.

Increased irrigation facilities, improved conditions of land tenure, effective agricultural credit institutions, and adoption of better methods of husbandry, including use of high yielding seed

and fertilizers under the 2nd Five Year Plan have resulted in an increase in output. As a follow-up action, FAMA will give further incentive to an increase in the production of the rural people. It will help the producing farmer to get a greater share of his produce.

The establishment of FAMA will certainly remedy some of the existing marketing systems of rural produce. It will remedy the rural indebtedness and the credit system, the lack of know-how and market information, lack of grades and standards, and rigidities in buying and selling operations, middle-men monopoly, cartels, price ring, etc.

One fundamental problem to effective marketing of agricultural produce is the predominance of small subsistence farmers, mainly engaged in producing food crops for their own consumption and for the payment of rents and debts in kind. Surpluses available for sale are of limited and insignificant quantity, uneconomical to warrant the provision of marketing facilities including transporting, processing etc., and the small and broken holdings cause much difficulties in collection and assembly for market. One of the main tasks of FAMA will be in the direction of solving these problems.

Other serious obstacles to efficient marketing which the Authority will also be concerned with are the lack of uniformities of weights and measures, poor transport facilities, absence of standards and grades of quality of agricultural produce and absence of market information. At present, subjective and arbitrary methods of grading give rise to dissatisfaction and disputes between buyers and sellers, particularly in paddy marketing.

Arbitrary deductions are also widely practised in rubber and copra marketing. With regard to weights and measures, it is found that in the rural areas, the balance stick is commonly used and its accuracy varies over a wide range. Under-weighing and other malpractices often take place in marketing transactions in the rural areas.

Because of the above factors, the Government has found it necessary to solve the problems by establishing the Federal Agricultural Marketing Authority charged with the responsibility of introducing, where necessary and desirable, ways and means to improve existing markets and marketing methods. It means therefore that before the Authority can introduce any marketing scheme or institute a marketing board, it will have to carry out

careful research and investigations into conditions prevailing in the marketing of particular commodities and it may well happen that the best course in the circumstances is a judicious distribution of existing marketing organisations, individuals or firms. For instance, in a specific area the best marketing arrangement might be to increase the number of private dealers; in other instances it might just mean an improvement in the packing, processing and transport facilities; yet in others it might mean establishing proper standards and grades etc.

It should be stressed here however that it is not the intention of the Marketing Authority to eliminate the existing free market economy as the Act under which this Authority is set up contains so many safeguards that the rights of private individuals and organisations are fully protected. The main functions of this Authority are to find ways and means in improving existing marketing methods including the co-ordination of activities of various organisations and individuals which are concerned with any aspect of the marketing of agricultural produce and also collaboration with existing organisations and individuals to promote efficient and effective marketing.

It should also be pointed out that marketing is only one of the essential factors in the whole complex and interrelated process of agricultural development. Equally important and necessary is easy access to credit on reasonable terms. They are so inter-related that it can be said that the provision of adequate and cheap credit is a necessary corollary to proper development of efficient marketing. The integration of marketing and credit should be seen as a cornerstone without which any attempt to bring about a substantial improvement in the economic position of the farmer must necessarily yield only limited results. It is also for this reason the Bank Bumiputra Malaysia Limited is established with effect from today.

However, I must state it frankly here that these two organisations, and for that matter any other organisation, would not be able to function properly and achieve its objectives if the people themselves, the Bumiputra themselves, the rural people themselves, are not helping themselves. The people should look upon these amenities as opportunities and they must come forward to make use of these opportunities to the fullest.

On the Government's part, we are providing the necessary help and creating the necessary conditions which will enable our

ra'ayat to enjoy better amenities and facilities of life. It is the intention of the Government to help the ra'ayat of this country to stand on their own feet, able to face the competition of every day life. To achieve this end, as you are well aware, the Government has launched the Second Phase of the Rural Development Plan.

The Government has launched the Second Five Year Plan and the Rural Development Programme successfully. The Government is now in the final stage of preparing the First Malaysia Plan which is aimed at increasing the productivity of the country and raising the standard of living of the people; to better social services for the people. The Government is implementing with vigour the resolutions of the Konggeres in order to obtain maximum effective participation by the Bumiputra in the field of commerce and industry. In fact, the Government has by now implemented some of the major resolutions of the Konggeres, and is still actively implementing the other resolutions.

With all these, I hope that the people of this country will take all the opportunities offered them and better their standard of living and their way of life. The Government will carry out all the necessary projects designed to help the people. But the people themselves should avail themselves of opportunities that are being extended to them.

Our approach should be to change the hearts and minds of our people so that they will have the spirit and attitude of self-reliance and self-respect.

The real point is that if we are going to develop our country up to our fullest expectations, then on the human side we must have a change of attitude, new approaches and new thinking on the part of our people so that they themselves will give the maximum contribution to the progress of our country. But we cannot expect people in villages and kampongs to change their attitude unless and until the whole attitude of Government officers themselves has been streamlined and changed into a more dynamic way of thinking. The task of all Government officers is to first effect a change in your own thinking, and then, *communicate* this change to our people, particularly in the rural areas.

— *Tun Abdul Razak said this on the occasion of the inauguration of the National Gerakan Maju Committee.*

"A MALAYSIA IN MINIATURE"

DOUBTERS MUST SEE MALACCA

The process of nation-building must not be polluted as we go through the fires of adversity; it must not be weakened by the production of "synthetic" racial differences. This warning was given by Tun Razak when he spoke to the Students Union and Faculty members of Singapore University on 24th July, 1965.

In a nation of sensible people, such as Malaysia, with good government and good political leadership, it is not so much what matters *front stage;* more important is the hard work, sound thinking and action which is carried out *back stage.*

Take our neighbour for instance—Soekarno—who since 1945 has been trying to run a country; keep it together, and develop it, without success, on one method alone—on speeches, empty slogans, words, promises; all *shallow and hollow,* with no action, and no results!—except a *reduced* standard of living for his people.

I know that the great Greek philosopher, *Plato,* said that "Rhetoric is the art of ruling men" but you must remember that in the days when Plato was alive there were no universities which produced people who could think for themselves; and it is my view that to *rule by rhetoric* as suggested by Plato, and as practised by Soekarno, one can only *succeed* with illiterate, ill-educated and down-trodden masses.

But we as a nation, Malaysia, are fast becoming a highly educated set of people with a first-class educational system, *good universities* and, with plans to double and treble the output of our university education. Therefore, we are not a nation that can be misled and misguided merely by words and slogans. We will continually be guided by good sense and logical thinking!

I think it was Kipling who said that "*Words are the most powerful drug used by mankind*" and drugs in the modern world nowadays are mostly *synthetic!*

I think that at this very moment in Malaysia, our new nation, there is another threat *not* from the production of *synthetic rubber* but from the production of *synthetic* racial differences and tension.

Our *natural* national tendency since the days of Hang Tuah and the days of the old Kapitan[2] China has been a *natural* tendency towards harmony, untiy and goodwill between all races. Since "Merdeka Malaya" and "Merdeka Malaysia", we have gone further, and further forward, towards becoming a united people; with the differences between our racial groups *diminishing from day to day.*

I say openly, frankly and categorically that anyone who tries to divide us, disrupt our *natural* national unity is merely creating a *synthetic* problem, a *synthetic* separation, a *synthetic* racial difference which at present does not exist but is a *synthetic* creation to win popular personal political power. So, I say to all of you and to all true citizens of Malaysia, beware and be *on your guard.*

It is the duty of our soldiers, our airmen and our sailors to guard our boundaries, our shores and our beaches, but it is also the duty of every true citizen of this country to be *on his guard,* not to be misled by a *wanton wedge* of *words* about racial disharmony, words which can only *widen* the way for Soekarno's subversive schemes to sabotage our sovereignty!

Before coming here recently I spent two days in Malacca and every time I go there I cannot help feeling and believing that Malacca is a "Microcosm of Malaysia".

In other words "a Malaysia in miniature" where all races, Malays, Chinese, Indians and Eurasians have blended over the last 400 years into a very happy peaceful and peace-loving people and I say to anyone who doubts the success, harmony and unity of our Malaysia to go to Malacca and see for themselves.

Given patience, time and tolerance on everyone's part, and with the grace of God, in a few years to come we will all have forgotten our original racial origin and all be true Malaysians.

Let us now look to the future. My Government is determined, in spite of Confrontation and, in spite of having to spend more money on Defence, that Development will go ahead with the same speed, the same energy, and the same determination, as has been applied to our present Five-Year National Development Plan (1961-65).

As you know, preparations are in hand now, for the launching of the First Malaysia Five-Year National Development Plan,

which will begin next year, 1966. The target figure of expenditure will be in the region of approximately $6,000 million.

With the lessons we have learnt, the techniques and skills we have developed, and experience gained, in the implementation of this present Five-Year Development Plan, I am sure, and I know, that with the support of the whole nation, the implementation of our first Malaysia Five-Year Development Plan will take our country further forward in economic progress so that it may take its rightful place in the economy of the free world.

The main aims of the Plan will be to advance on two main roads to progress—*intensified agricultural diversification* on the one hand, and *intensified industrialization* on the other.

The underlying principle of our policy is one of levelling up the imbalance of the various sectors of our economy, and of *levelling up* the standard of living of all our people.

One of the mainstays of our Constitution is the protection of the rights and property of every single Malaysian citizen and we stand by our Constitution.

We aim at a property-owning Democracy, and an example of our success so far can be seen from the many land development schemes throughout the Federation where the settlers, on these schemes, of all races, have been given their own land, their *own homes* and the opportunity of a higher standard of living; with *pride* in their *hearts*, *pride* in their *homes*, *pride* in their *property* and *pride* in the results of their *own efforts* to better themselves!

We are a new nation and *immediately* after our birth we were confronted by aggression from outside. Let not this deter us, but let us determine to turn the present situation to our *own* advantage. Let me explain.

Take for example the modern industrial process of converting *iron-ore* into the *strongest metal* in the world—high quality steel. The purest ore, and the highest quality steel, is produced from the *hottest* furnace.

Adversities and difficulties which face us now as a new nation need not throw us into an attitude of despair or despondency. No.

They present to us a challenge! We as a Nation can go through the *furnace* of adversity and come out after the process *stronger*,

more *resilient* and of a higher quality beyond our greatest expectations!

If we are to become a nation of the same quality of a strong resilient metal like steel, the ingredients necessary for the chemical composition of making a strong and united nation must all be of the very purest quality.

CONSTITUTION: EQUAL RIGHTS TO ALL

"Our Constitution has been so drafted as to make Malaysia a meaningful and purposeful concept within the needs of all people of all races in order to make them happy and contented," said Tun Razak when he addressed the Debating Union, University of Malaya on 20th July, 1965. Opportunity was taken by him to deny the allegation that the Alliance Government believes in the supremacy of one race over the other.

Since independence in 1957, Malaya and now Malaysia, had made tremendous progress in the field of development. We have achieved more and developed more than could be attained in seventy years of rule by a colonial power. In every corner of our country today, there is on the land in our kampongs, in our new villages, in our towns and in our cities, hundreds of projects. We can rightly be proud of what, as a new and young nation, we have achieved in the years since independence. All of you will remember the period before independence when critics and doubters said that we were not yet ready to govern ourselves and that independence would probably be the beginning of the end of prosperity and stability in Malaysia.

Merdeka to all of us has meant the beginning of the beginning of bigger and better days, the foundation of the furthering of our stability and security within our shores; steady progress towards a better way of life in both the rural and the urban areas. All these things have amazed and brought praise from every other free nation in the world today. The countless visitors to our country have been warm in their appreciation and admiration of what we have achieved in the years since independence.

In Malaya our Second Five-Year Development Plan has been implemented with complete success. Indeed when we launched this Plan in 1961, most people thought that the target as set for ourselves, that is $2,200 million expenditure on the public sector was too great to be implemented. However we were able to gear the machinery of Government and co-ordinate the work of Government departments and offices in all its branches. Today even before our fifth year of the plan comes to an end we have already exceeded our target. At the end of this year, that is the last year of the Plan, we shall have spent in the region of $2,600 million or $2,700 million. It is clear that in implementing our development programme, the Alliance Government has successfully applied the right principles and followed the right methods. We have now applied these principles and methods to Sabah and Sarawak and it is hoped that in the next few years our people in Sabah and Sarawak will be able to obtain the same benefits from development as our people in Malaya.

Now what are these principles which we apply in the implementing of our national development, particularly our rural development programme? The foundation for positive action was based on the principle of partnership between the Government and the rural people themselves. With the tempo of modern travel the Alliance Government made it possible to make a journey into the heart and soul of the development needs of any kampong in record time; by the use of the "Red Book".

The Red Book was conceived, designed and put into practice by the Alliance Government for the purpose of ensuring that, no matter how far away any kampong or village may be, nevertheless the hopes and needs of its people are forever near to the heart of Government. Similarly, let us look at a map of Malaysia and I feel with confidence, in the future, that what the Government had already done in Malaya, not only can they do in the development of Malaysia but can do so even better, from the experience in practice which we have already gained.

On the economic aspect of our development I feel we must be cautious in accepting theories and practices which apply in other countries, and although our main aim is better growth and better prosperity, let us remember that prosperity in both the rural and urban areas should not always be judged by the same material gains which are the yardstick of progress in the

more advanced nations of the world. Economic growth is a necessary goal for Malaysia, but it must not be considered to outweigh all others, nor should it be assumed that every action that increases wealth is necessarily right. The increase of wealth, the raising of our overall standard of living, is an essential factor in our economic development. But such economic development will only be satisfactory if it acts to preserve the meaning of life, not destroy it.

Therefore our development should have a focus not entirely on material gain, but a focus also on the human, social, cultural and religious aspects of our lives, so that we can build up a Malaysia which is not only economically stable, but which is also a nation of people who are happy within themselves, self reliant, and secure within their own sincerity of purpose.

Our objective is to level up, that is to help the less fortunate of our people to enjoy better amenities of life, indeed to get full benefits in all that a civilised society can give.

It is not my intention to go into detail of our development programme. As has often been stated, the emphasis in that programme has been to help the less fortunate of our people or what are commonly known as "have-nots." Our rural development programme is planned and implemented with zeal and enthusiasm. One important aspect of our rural development plan is land development. We have now throughout the country sixty-two land schemes of 4,000 acres each and each scheme land is alienated, jungle trees felled, roads built, water supply laid on, houses built for settlers and each family is alienated with 10 acres of land of which seven acres are planted with either high yielding rubber or oil palm and the rest is utilised for residential purpose as well as for the planting of fruits and vegetables. A monthly subsidy is given to each family by Government on loan. Amenities such as schools and health clinics are also provided. On each lot it is estimated that a family will earn a basic income of about $350 per month at a fairly conservative estimate of price of rubber or oil palm. A few of these schemes now produce income. As and when the land produces income a settler is expected to pay the Government loan by easy instalments. In one instance, where Government has asked the settlers to pay about $40 a month, the settlers themselves volunteered to pay double that amount because they are earning such a good income. The settlers are given permanent titles to their land.

Now what can be more socialistic than these land development schemes of ours. In the communist countries people are just made to work on the land. In our country the people not only work on the land but they also own it. The aim is, on the one hand, to help our rural people to increase their income and to give them greater share in the economic and business life of the country, and on the other, to build houses and homes for people in the urban areas, who are without homes. We will also assist the less fortunate of our people in the urban areas with amenities in the same way we are doing for the rural people. Our national development plan is national in scope and character, designed to help our people of all races, whoever they may be so that the "have-nots" in our society will have a share in the progress and development of our country and will enjoy a standard of living compatible with life in a decent and civilised society.

To achieve development, to achieve economic growth, to achieve a happy and highly developed Malaysia, means hard work, harnessing of all our energies and the ability of our leaders to take action towards sound economic development of a happy and stable Malaysia.

Now coming to the subject of defence. As a small developing nation quite obviously we are in no position to have armed forces, that is Army, Navy and Air Force, of sufficient strength to defend ourselves adequately against external threat or aggression. That is why since independence in 1957 we decided to maintain our defence expenditure at a low level so that we could devote our resources to economic development, to give the people a better and higher standard of living and better amenities of life they have wanted for so long. Until the establishment of Malaysia in 1963 our defence expenditure was only eight percent of our total budget. However with the establishment of Malaysia, with a bigger territory to defend and a longer coastline to protect, we have to increase our defence forces.

As a small nation we have no means to defend ourselves adequately against external threat or aggression. Therefore, on the day we achieved independence in 1957 we signed a Defence Treaty with the United Kingdom and the United Kingdom supported by Australia and New Zealand undertook to defend us against external aggression. The Treaty was entered into by us voluntarily and freely and it could be reviewed at any time.

With the present confrontation, of course, we are grateful to our friends, Britain, Australia and New Zealand for assisting us not only in the expansion of our armed forces, but also with men, ships and planes to help defend our territorial integrity. This defence arrangement can only be temporary and the time must come when we have to provide for the defence of our country and ourselves.

Now we in Malaysia stand for freedom, democracy and justice. Malaysia carries with it ideals which are dynamic and positive providing for our people democracy, freedom and justice and economic stability, and these ideals provide great contrast to Indonesia's so-called guided democracy, which has only empty slogans and has provided nothing for the people. Indeed Indonesia's so-called guided democracy means that the people have to suffer more and more.

These ideals that I have mentioned are enshrined in our Constitution. Our Constitution has been so drafted so as to make Malaysia a meaningful and purposeful concept within the needs of our people of all races, in order to make them all happy and contented. The whole concept in our Constitution is based on the idea of "give" rather than "take". To give to those who have not without taking from those who have.

Many of you must have heard lately of allegations against the Alliance Government, that we believe in the supremacy of one race over the other and that we have not provided for equal rights to all our citizens. I would like to rebut these allegations because clearly our Constitution does not provide the supremacy of any single race or community. All Malaysians of all races are equal under the Constitution and their rights and privileges are zealously guarded. The Constitution, however, provides for the safeguard of the special position of the natives. This does not mean supremacy or privilege but rather a special position which requires special attention. The Constitution recognises that where there is disparity, a system of parity is provided in order to make everybody happy. It is known to everybody that the natives are economically backward and, therefore, in order to give them a fair chance to compete with other races they are given this special attention in the Constitution or in plain language a handicap. This handicap gives the natives a chance to have a share in the economic and business life of the country.

As I said, by giving this special attention to this particular section of our community, the Constitution will not take away the rights and privileges of others and this arrangement serves to unite and promote solidarity between the natives and the other Malaysians.

Therefore, it is clear under our Constitution which the Alliance Government formulated and which it has repeatedly pledged to uphold, there is a fair place for every Malaysian in our country. The Constitution is so formulated as to be fair and just to all scetions of our people so that they can move forward together in harmony, goodwill and friendship. The Alliance Government has always believed in the unity and harmony among our people of various races so that ultimately they can be welded together into one united nation. Of course the process of bringing this unity may take time because only a small section of our people, i.e., those who were educated in English schools are able to know and understand each other.

The great majority of the people have lived under colonial rule in separate communities and therefore we have to give them time to understand each other, to feel that they are friends and brothers. But the ultimate objective is clear. It is the firm intention of the Alliance Government whatever others may say, to move forward bringing our people of various races together in harmony and friendship, so that ultimately they will regard themselves not as members of different communities but as members of one nation. We have said this is the cardinal principle of our policy many, many a time and it does seem hardly worth repeating, but there are some people who for reasons of their own refuse to understand what we have said. Therefore, it is necessary for us to continue repeating this vital important policy of our Government.

I have no doubt that most of our people have a deep sense of loyalty to our country and know that they must live together in harmony, friendship and unity because on this alone can we look forward to the future with real hope and confidence.

Despite what a few politicians have said about tension or division which have no basis and do not exist, I am happy and proud at the way in which our people of all races have stood together solidly in the face of the present national crisis. I have no doubt that if we continue to show our determination to live together and exist as a nation we shall come through the present

emergency and confrontation triumphantly, and that Malaysia will emerge as a happy and prosperous country in which its citizens of all races will have a just and proud place.

HOW TO BUILD A UNITED NATION

"OUR GREATEST ASSET IS RACIAL HARMONY"

Tun Razak, when addressing the "Y's" Men Club of Singapore in the island city on 23rd June, 1965, contended that Malaysia was determined to uphold and protect its national security and sovereignty and to forge ahead with progressive development towards prosperity.

Our country Malaysia is a new nation barely two years old. Therefore there is so much for all of us to do to consolidate our newly won independence to give people a better deal, a higher standard of living and better amenities of life. If all of us could devote our energies towards this one aim, towards our immediate task of building a united and happy nation then we all stand to gain so much by it.

Our immediate task is to build and consolidate this new nation of ours to face the challenges of the present. It is important that all of us should do everything possible to consolidate our country and not allow any section of our community, much less any person to say or do anything that would disrupt our country and the unity of our people.

I am glad that the spirit, solidarity and determination of everyone in all parts of Malaysia is extremely high. Malaysia is determined to uphold and protect its national security and sovereignty and to forge ahead with the progressive and dynamic development towards greater prosperity and a happier life for all Malaysians—inrespective of their racial origin and creed.

If there is to be international peace, if the rule of law and respect for each other's national integrity and sovereignty are to be the fundamental basis in which nations regulate their relations with one another, the use of force must be stopped.

Like all newly independent countries of Africa and Asia we believe in international peace and understanding. We believe in co-operation among nations so that by our untied efforts we could give our people a new deal. We could help to give them a better and higher standard of living which they all desire so much having been under colonial rule for so long. We share the same ideals, hopes and aspirations as all newly developing countries of Asia and Africa.

It is of the utmost importance that the various races in Malaysia should remain united. Our greatest asset is racial harmony; our salvation is national unity. In a multi-racial society where racial differences coincide with economic differences, where each community has been nurtured to live in their own separate cultural and traditional compartments, and in a society like this, it is highly dangerous to experiment with any frivolous theories or pet dogmas of a minority group of people. While we continue to build Malaysia, our urgent job is to sustain national solidarity and the maintenance of law and order in this country.

What is imperative is the imbibing of a sense of belonging to one nation and a common identity and loyalty. Ironically, confrontation has provided an impetus to this process of nation-building of our various communities. But recent utterances and doings of some people have seriously underminded our national unity and our progress towards nationhood. "It would take time for the people particularly the people of Sarawak and Sabah who are separated from us by many hundreds of miles to realise and appreciate that they belong to one nation with us and to regard us as one people with them.

Malaya became independent in 1957. Malaya consists of different States. In 1948 before we had the Federation of Malaya some of these States were independent sovereign States and it took some time for the people from Kedah to accept the Government in Kuala Lumpur as their national Government. It took some time for people in Kelantan and Trengganu to regard the people of Johore as their own brothers and sisters, members of one nation. It took some years for the administrative set up to be adjusted, for the machinery of Government to be put into a proper working order. But with patience, tolerance and the spirit of compromise and goodwill we succeeded in establishing a strong Central Government and we succeeded to some extent in moulding the various communities together.

We succeeded in taking away State loyalties and sub-ordinate them to the loyalties to the Central Government. We must not be impatient and force the pace because if we do we shall disrupt the very thing we intend to establish. Constitutionally and administratively we are a federation of States. We must therefore give time for the various State governmental machinery to adjust themselves and for the Central Government and the various State governments to work together in harmony and in co-operation.

In order that our people of various races who under the British were allowed and encouraged to live as separate and different communities, to adjust themselves and to make them feel that they are members of one nation. In a multi-racial society like ours we must continue to make adjustments as we move along the road to one nationhood. We must do everything possible to encourage our people through our education policy, through the use of our national language and towards one culture to feel that they are one.

We in the Alliance Government and in the Central Government do not pretend to be clever but we know we are sincere and we are practical. We know what our objective is, we know what our concept of Malaysia is because we were the people who conceived and brought this to life.

Our new nation has just been born. Let us give it time to grow to man-hood. Let us all in unity develop and foster its growth.

The western concepts of equality, liberty and democracy must necessarily be viewed in the context of our social organization. Man is born free; yet is not free. He is born equal to others and yet not equal to others. But society changes and with it man comes nearer to the fulfilment of his ideals. Change implies understanding just as man must evolve a reasonable and workable scheme to make life tolerable; so must Malaysians evolve a workable and tolerable way of life. No form of society is eternally changeless; it changes with experience and time. Accepted political concepts change; even the most rigid—Stalinism is an example where the rigidity of Stalinism perceptibly changes with the increase of material wealth of the people.

Capitalism, too, is no more the unbridled force it once was; enlightened capitalism of the early 18th Century—the workhouse—has given way to cost-of-living allowances, maternity benefits, age old pensions and other benefits of the modern industrial and technological groups. Planning is a basic feature of modern

society; otherwise anarchic production; hence planning and organisation to ensure the most efficient utilisation of wealth of society for the benefit of the greatest number of its members. Thus we find capitalism incorporating the best that could be found in socialist planning, in organization and production.

That is the way even in capitalist countries of the West—England, France and closer to us. New Zealand—the essential of the welfare state inherited from past socialist governments, still operate; that socialism is not dismantled merely because a more conservative government is in power. The Alliance Government is no exception to the rule of the trend prevailing in modern society. We do not only accept the props of democracy—Parliament and judiciary system—but Western techniques of organization of productive forces in society. We realise that purely capitalist techniques of planning and organisations do not suit conditions in our country. So we find new techniques suitable to our own conditions and our own way of life.

The Rural Development Programme for example incorporated the best features of socialism and adapted to our way of life—the gotong royong spirit of traditional Malaysian society; equal rights for all citizens—equal rights before the law—that exists in Malaysia; equal rights to vote and to be voted into or out of power; that too exists in Malaysia. Malay special right is distinctly different—it is a means, a legal means, a constitutional means, to rectify economic imbalances in society. It is the duty not only of the Government but of our people to rectify all these inequalities and imbalances. We must endeavour to help the less fortunate of our people by evolutionary and gradual methods but without taking the right of others. We will do this within our constitutional set up under our system of Parliamentary democracy. Our policy is to endeavour to level up and not level down. We want to give our people of all races the rightful place in our society in our country. It is important for us to look at all our problems through the right perspective. We would be doing a great disservice to our country whoever it may be if we endeavour to draw a wedge between the different communities or to rise to power through communal issues.

Malaysia is young and as most of its population are also young I have no doubt that it will be continually infused with an idealism—Malaysian idealism—that will always renew its life and its being.

WHAT MARA OFFERS TO THE BUMIPUTRA

PART OF OUR DEVELOPMENT PROGRAMME

Tun Razak returned to the theme of wholehearted participation by the bumiputra in commerce and industry by availing themselves of the advice and assistance provided by MARA. Fullest application of energy and hardwork by them was necessary and important for success, he added.

MARA is only a part of what the Alliance Government's programme of Development is *for the whole Nation*, but MARA is an *important and vital part* in so far as it affects the economy and progress of our kampong people, of which you, who are gathered here today, are *the leaders* in your own respective areas.

It is my intention to create a "wind of change" which will spread over the entire country in order to make everyone realise that the responsibility for leadership is not confined to the hands of a few selected Ministers, but *is in the hands* of many thousands of us in every kampong, in every town and also within every undertaking throughout the length and breadth of our country.

MARA, as you know, was set up as a result of the Kongress Ekonomi Bumiputra in June, 1965, with the object of helping to raise the standard of living in the rural areas.

Its main objective is to act as an agency to stimulate greater participation by our bumiputra in the commerce and industry of our country; to afford facilities for the training of our bumiputra, so that they may take their rightful place in the progress of our country to act as a stimulus and give advice and help towards the establishment of more and more small industries throughout the rural areas; to give better transport facilities in rural areas by the establishment of bus services, to help and advise bumiputra contractors and bumiputra businessmen through the channel of a MARA Technical Advisory Service, and to sustain a flow of rural credit to those potential bumiputra businessmen who require both loans and technical advice to set them up in their businesses.

I am glad to say that since the setting up of MARA last year, considerable progress has been made towards the achievement of our aims. MARA's Transport Service provide transport facilities to all FLDA land schemes and to many new areas which before were without roads and without transport. In fact,

as I speak now, MARA has no less than 375 buses operating in the rural areas covering well over 1,000 miles of road.

In the field of training, MARA has provided no less than 362 scholarships for Bumiputra who are at present deriving the benefits of higher education both in Malaysia and abroad, a type of education which will fit them to take their proper place in all aspects of our national economy, and this Scholarship Programme will increase from year to year.

Also in the field of training, the Maktab MARA in Petaling Jaya has already been enlarged; this year the student population has reached the record number of 556 students.

Plans are under way for this student population to be doubled next year, and on the longer term programme, when the new Maktab MARA is established at Batu Tiga, Klang, the target figure set will be in the region of 3,000 students and special classes for Higher School Certificate students, particularly, in the field of science so that our bumiputra can play their part in this ever increasing modern and scientific world.

In addition to the Maktab MARA, many vocational training programmes are under way, such as for motor mechanics, for the catering and hotel business, for contractors and many other trades and businesses.

With regard to Credit Finance, this Division of MARA has issued loans up to approximately $34 million and together with these loans is given advice and technical assistance to help guarantee the greatest possible success amongst bumiputra businessmen who have received such loans.

Together with these credit facilities, MARA is also providing necessary advice on business management, book keeping and marketing through its Advisory Service. Many experienced officers in this field have been recruited and they will in due course be sent out to carry out their work at various levels in the rural areas.

In the field of Commerce and Industry, MARA is providing places for bumiputra to enter into business in *town areas* through its shop-houses and bazaar construction programme.

MARA is also embarking on a "joint venture system." These joint ventures such as the exploitation of timber in the Jengka Triangle FLDA area, the tannery in Petaling Jaya and a future

Pulp and Paper Mill, are joint ventures of a three cornered nature with the bumiputra combining with local and foreign capital to play their full part in the participation of the major industries of our country. In addition to this, MARA has designed an Investment Programme which will provide a "Unit Trust" to enable bumiputra to purchase shares in the major financial ventures of our country.

Now, I want to make it absolutely clear that MARA in itself cannot help those bumiputra who want to launch out into the world of commerce and industry, unless those who seek assistance from MARA themselves shoulder the responsibility for their own success.

In other words, the function of the various Divisions of MARA is to participate *with* the bumiputra in the form of a joint venture or a partnership, between *you yourselves* on the one hand, and MARA's *advice and assistance* on the other hand. Because no one, in anything they do in this life, can expect to succeed, except by the fullest application of *energy and hardwork on their own part.*

Advice and assistance by financial and technical aid from MARA to any individual, *will not* in itself *guarantee success* in his business or industry unless he himself makes an equal *contribution* of hardwork and the determination to succeed.

You will remember the saying "Pechah ruyong sa-belum mendapat sagu-nya".

This fine building with the good ideas, with the good intentions, with the good advice, the availability of loans and the availability of training is only a means to an end! It is not designed for the bumiputra merely to lean on it or to stand in it and watch developments pass-by!

Both MARA and its building are designed with one and only one intention; to herald the day in the future when the bumiputra in all walks of life within our economy and nation will stand *fairly and squarely on their own feet*, proud to have done a hard day's work; proud to have overcome their difficulties and proud to have achieved the success and standard of living which in all our hearts we have the deepest hope and desire to achieve!

Therefore, my main message to all of you today is to get this absolutely clear in your minds and when you go back to your

respective kampongs, spread the same logical *thinking that MARA is yours*, it belongs to the Bumiputra, it is for you if you so wish it, to obtain help in training, setting up businesses, setting up industries, and it is up to you to make the fullest use of the resources which MARA offers you!

At the same time, you must continually remember and remind yourselves, that the resources of MARA are *useless to you* without the full application of *your own resources* both mental and physical; and those of you who have the "*will to succeed*" with the help of MARA, can succeed.

When you come forward as an equal partner with MARA, determined to succeed; then only, you will succeed. After all, "Mankind is born, not to fail, but to succeed!"

THEY SPEAK FOR THEMSELVES

The *only judge* of Development success are the many thousands of projects on the ground *which speak for themselves;* the facts and figures of *increased prosperity* throughout the whole country which is *proof* that with good planning and positive action we, the Alliance Government, have turned our country into a *forward-looking, forward-moving country* from what was, when we took over the Government, *a dead-beat backwater of colonial domination.*

Thousands of acres have been made suitable for cultivation through our Drainage and Irrigation works; many miles of roads have been provided for the benefit of our people; health services have been extended to all the corners of the State; education facilities have been improved; grants have been made to the aided schools; and from next year onwards our children will all be assured of nine years of continuous education, instead of six years provided at present.

— *Tun Razak at the laying of foundation stone of $2½ million Technical Institute in Penang on April 4, 1964.*

TIME TO TAKE STOCK OF MALAYSIA'S PROGRESS

On the occasion of the National Solidarity Week, in February, 1967, in Kuala Lumpur, a luncheon was given by the National Union of Journalists. Speaking then Tun Razak expressed the view that the establishment of a united Malaysian nation was vital to the peace, happiness and prosperity of our country.

It is of course customary on an occasion like this to take stock of our position, to look back into the past and see our achievements and our successes and our mistakes, if any, in order that we can look to the future with greater faith, greater confidence, and greater determination. During the last two years since independence, Malaysia, our young nation, despite confrontation and aggression by the enemy, has forged ahead in all fields. In the economic field we continue to make great strides. Coming to international field our stock has risen tremendously particularly among the Afro-Asian countries. We have gained the respect of most nations of the world. At home, internally, our people have demonstrated in clear terms, their loyalty to Malaysia, their confidence in the future of our country and their determination to defend our independence and our integrity. Our people of all races including those who live in Sabah and Sarawak, whether they live in the town, in the village, in the kampong or in the longhouses have a sincere desire to live together as one people.

They have shown that they are more and more conscious of their national unity. It is therefore the duty of all of us to encourage, stimulate and strengthen this spirit of unity so that we will be able to inculcate in the minds of the various races a true spirit of Malaysian-consciousness and loyalty. I am really impressed by the determination shown by our people to assist the Government in forging a spirit of unity among the various races in this country. I do also hope that this spirit of unity and determination will be reflected by our people in their daily activities. It is only by continuing to fan this spirit of unity and loyalty to our country can we really succeed in building a strong and united people.

I would like to see greater manifestation of loyalty by our people, by their coming forward voluntarily to join the various

civil defence organisations and other auxiliary agencies to support our Armed Forces in the defence of our country and in protecting our ideals and our way of life. I would also like to see more of our people in all walks of life taking part in various charitable and welfare and educational institutions in our country.

We will do everything possible to foster this spirit of loyalty and unity among our people. Our national educational policy has been geared towards this end, to make our children of all races learn the same thing in the same way, under the same roof and learn things about our country. Our development programme also has this objective in mind. In implementing our economic development programme, we have always emphasised that the ultimate objective must be to make our people self-reliant, to make them stand on their feet, to do things on their own initiative and efforts. We cannot be a great nation unless our people have that spirit of self-reliance and self-respect.

Many people who have visited our country have talked of Malaysia as a model of a multi-racial society—as an example to the world how people of various racial origins, of different cultures and religions can live together peacefully and happily. The people of this country have lived together as one happy family for generations, respecting one another's religion, language, customs and thought. Our people have a lot of goodwill, tolerance and respect for one another. We have therefore the basis and the ingredients for building a really happy and united multi-racial society. It is therefore the duty of all of us in order to achieve this objective of ours to help eliminate any inequalities or any imbalance—politically and economically or otherwise, so that our people of all races can have a rightful place in our country.

We strongly and firmly believe in this ultimate objective of building a united Malaysian nation. We think that we must give our people time to adjust themselves, time for us to correct any imbalances or inequalities. In Malaysia our population is nicely balanced and with the basic characteristics of our people of tolerance and goodwill and moderation, I am confident we shall be able to build a truly united nation. In the past we have been able to establish a strong and stable Government because we believe in the principles of democracy, justice, freedom and

fair play. Now with the spirit of tolerance, patience and goodwill, I am confident that we shall build a strong, happy and united nation.

However, I would like to appeal to all of you, to help to promote this feeling of oneness or unity among our various races. There are some political leaders who are still making use of this racial issue, playing one race against another for the sake of gaining political power. These leaders clearly have not the real interest of our people at heart and I do hope that speeches that are not conducive to racial harmony and goodwill would not be given prominence in our newspapers. If we sincerely believe in the creation of a real Malaysian nation and not merely using these words as political slogans to gain political support then we all must avoid making statements that would upset any group or section of our community. We must always stress something that we have in common that can foster and encourage a sense of unity among our people.

As leaders of your trade union organisations you have a heavy responsibility upon your shoulders. Your immediate duties are, of course, to your members to see that they obtain better working conditions. But do not forget that you have equally important duties towards our country. As I have already said earlier, your organisations have an important role to play in achieving peace and prosperity of the country. One of the ways in which you can make a substantial contribution in this direction is to try to have industrial peace. This is particularly important at the present stage of our country. I hope, therefore, that in your deliberations you do not lose sight of your duties to your country.

— *Tun Razak said at the ninth annual conference of Industrial and Manual Services Staff Council on 19th December, 1964.*

INTERNATIONAL AFFAIRS

A PLEDGE ON HUMAN RIGHTS

TIME TO RENEW OUR FAITH IN THE U.N.

The United Nations Day on 22nd October, 1968, was a day of special significance because it was also the twentieth anniversary of the Universal Declaration of Human Rights. Speaking on that occasion Tun Razak referred to the vital contribution that the U.N. has made for peace and progress of mankind. His comments are:

This year has got added significance in that it is also the 20th Anniversary of the adoption of the Universal Declaration of Human Rights and which has also been proclaimed the International Year for Human Rights by the General Assembly of the United Nations.

The compelling desire of men everywhere to come to an understanding for the encouragement and respect for Human Rights and for fundamental freedoms reached its climax as a result of their abhorrence and sense of horror at the events that led to the Second World War and the untold miseries and sufferings that resulted therefrom.

The Second World War had convinced everyone by and large, that there was a relationship between the outrageous behaviour by a Government towards its own citizens and aggression against other nations. There was the realization that fundamental to the maintenance of peace and harmony was the respect for Human Rights.

Thus when the war ended in 1945, 47 nations met in San Francisco on this same day to sign the Charter of the United Nations which was to form a foundation for peace and harmony and which would, among other things, "facilitate solutions of international economic, social and other humanitarian problems and promote respect for Human Rights and fundamental freedoms." They pledged that the United Nations would promote,

among them, universal respect for an observance of Human Rights and fundamental freedoms for all without distinction as to race, sex, language or religion.

Realizing the importance of Human Rights as fundamental to the success of the United Nations and all the objectives and purposes of the Charter, various Committees had to the best of their ability, done thorough groundwork and examined all aspects of Human Rights before their recommendations were finally accepted in 1948, the year of the Universal Declaration of Human Rights.

The Declaration of Human Rights considered subjects like civil liberties, the status of women, the protection of minorities, the question of refugees, racial discrimination and so forth. The Declaration, since its adoption, has exercised a powerful influence throughout the world, both internationally and nationally.

The United Nations now consists of 125 member nations, all of whom are pledged to the upholding of the Charter.

However, like anything human, the United Nations is not all that perfect. It has not found solutions to a number of problems as evidenced by tensions and armed conflicts taking place in various parts of the world. We still have South Africa with its evil apartheid policies which constitutes a flagrant and blatant violation of Human Rights, flouting openly the principles of the United Nations, even though that country was one of the original 47 founder signatories of the United Nations Charter. You have South Africa extending her evil influence over South West Africa even though the United Nations has time and again stated that she has no jurisdiction over South West Africa which was a mandatory territory of South Africa before World War II.

You have Rhodesia, illegally and unilaterally declaring herself independent, drawing inspiration from her neighbour South Africa, and yet there is very little that the United Nations has been able to do except by appealing for various sanctions in the economic field. This in spite of the realisation that the success of the United Nations was dependent on the respect for fundamental Human Rights.

We have other problems all over the world like the Middle East crisis, the re-unification of Korea towards which the United Nations

is pledged, and other trouble spots for which the United Nations has been unable to find just and prompt solutions. Also here in Southeast Asia, we have the case of a country, the Philippines, making a claim to another State, Sabah, which had expressed its undoubted determination to remain a constituent State of Malaysia. Despite this expression of self-determination by the people of Sabah on more than one occasion, endorsed by the United Nations, the Philippines continue to pursue her claim.

It is, therefore, clear that unless countries who are members of the United Nations, are prepared to abide by the principles of the Charter of the United Nations, it will be difficult for the United Nations to find solutions to many problems in the world and to maintain peace and harmony among nations. But in spite of its short-comings, at least mankind has attempted, and all are determined to make this Organisation, the only hope for the safe-guard of international peace and security, a success.

The United Nations has made vital contributions of inestimable value in a number of fields which we must not overlook and for which we must all be thankful, and for which we are having this special observance today.

We in Malaysia, like all those in the other 124 countries, are pledged to uphold, the U.N. Charter and we should re-dedicate ourselves, like all our brethren elsewhere are doing, to spur the Organization towards more vigorous and imaginative efforts towards making it the effective body it was intended to be.

Let us today, on this twenty-third anniversary of the founding of the United Nations and on this twentieth anniversary of the Universal Declaration of Human Rights, re-dedicate ourselves to the principles and purposes of the United Nations Charter and renew our determination to ensure for ourselves, our children, their children and for posterity, a world free of war, where the rule of law prevails and where social and economic progress and better standards of life are motivating factors that guide mankind.

Our only hope is the United Nations. We cannot allow it to fail. Its success therefore depends on its members and in its last analysis on your attitude and mine.

ASEAN LEADERS MEET



Tun Razak addressing the conference of Association of Southeast Asian Nations in Kuala Lumpur. On his left are Tunku Abdul Rahman, the Prime Minister of Malaysia, and the former Foreign Minister, Mr Ramos of the Philippines while on his right is Tun Thanat Khoman, the Foreign Minister of Thailand.

ASEAN—THE BEST HOPE

REGIONAL CO-OPERATION IS VITAL FOR PEACE AND PROGRESS

That the Association of Southeast Asian Nations is the best hope for regional co-operation to ensure the peace, progress and stability of the region and that the significance of ASEAN extends far beyond the immediate interests of the five countries were emphasised by Tun Abdul Razak when he delivered the following address at the second ASEAN Ministerial Meeting held in Jakarta on 6th August, 1968.

This morning, His Excellency President Suharto, in his thoughtful and inspiring statement has set the tone on the right direction of our conference. Allow me, therefore, Mr Chairman, to express our sincere appreciation for that address and also our heartfelt response to His Excellency's eloquent words.

It has been a year since we last met in Bangkok and this year has seen the steady and resolute growth of ASEAN and for this achievement, Mr Chairman, we must pay you our highest tribute. As Chairman of the Standing Committee in Djakarta, you have steered the work of ASEAN with tact, with imagination and skill, as well as with the briskness that we have come to expect of you.

The experience gained by ASEAN during its first year of life under your able leadership would be invaluable for the future growth and development of this organisation. Let me also pay tribute to the Standing Committee, to the various National Secretariats and to the various *Ad hoc* Committees, whose patient and dedicated labours have laid a sure foundation for the years ahead.

Mr Chairman, the peace, prosperity and progress of Southeast Asia must be the primary responsibility of all of us in Southeast Asia. We must all co-operate together to shoulder that responsibility.

In the past one year Malaysia for its part has been consciously pursuing a policy of peaceful co-operation with our neighbours not only in a multilateral organisation such as ASEAN but also bilaterally; we have strengthened our border co-operation with Thailand on our northern borders, with Indonesia on our borders in East Malaysia, and with Singapore we have also resolved to maintain the closest co-operation in matters of defence.

We believe that these arrangements represent a positive contribution to the security and stability of our region. It is through such co-operation bilaterally as well as multi-laterally, on the basis of equality and mutual respect for the sovereignty and territorial integrity of one another and the self-determination of peoples, that the countries of Southeast Asia can ensure the peace, stability and neutrality of our region and safeguard our countries from interference and intervention by any force or power outside this region. I believe we can say that there has been progress in the year since we last met.

In the past year also we have seen a glimmer of hope in the tragic conflict which has bedevilled Vietnam for more than two decades. The talks which are currently taking place in Paris between representatives of the United States and the Democratic Republic of Vietnam, although regretfully they have not yet shown the path to a peaceful settlement, represents a step forward in that direction. We pray for successful outcome of these talks so that peace may soon return to the Vietnamese people.

ASEAN for its part, through its various projects and by fostering an atmosphere of mutual trust and confidence, represents the best hope for regional co-operation in Southeast Asia to ensure the peace, progress and stability of the region.

We may say, that that first year of ASEAN was the year of preparation and planning. Ahead of us are the years of implementation, of translating these plans into action, to provide quick, and fruitful results for our peoples.

The process of implementation will be more complex, more laborious and more challenging, but I have no doubt that if we vigorously apply ourselves to our tasks and refuse to be distracted by extraneous and irrelevant matters, we shall speedily achieve our goals.

At our last meeting in Bangkok I expressed my confidence that our spaceship ASEAN was well and truly launched. I believe that in the last year it has begun to transmit its message of hope, of regional co-operation and regional development to all our peoples and to this region of Southeast Asia. Let us now begin to fulfil this message.

Let us now embark on a programme of action which is realistic and at the same time imaginative so that little by little, project by project, we shall build the edifice of regional co-operation and

regional solidarity. We could begin with quick-yielding projects which do not require the expenditure of much funds. Upon the solid foundation which would thus be laid, we can move on slowly but steadily to more ambitious projects. Looking at the future, Mr Chairman, I would say we have exciting and challenging tasks ahead of us.

Indeed, Mr Chairman, our theme and our message at this meeting in Jakarta should be this: let us forge ahead to meet these exciting challenges, let us not look back, let us not allow any differences between any of us to detract us from the more important responsibility of ensuring the peace and progress of our region. Inspired by common ideals of regional co-operation, of good faith, goodwill and good neighbourliness, our five countries gathered together a year ago in Thailand to enunciate the historic ASEAN declaration.

The significance of ASEAN extends far beyond the immediate interests for our five countries for ASEAN represents our collective efforts, acting on our own initiative and fashioning our own methods, to co-operate together to ensure the economic and social development of our respective countries and of this region. We know that the path of regional co-operation will not be easy; many of us have been subjected to colonial domination and influence which are foreign to us and these have tended to keep us apart. But it must be our common resolve not to be distracted by these differences and divisive forces which are rooted in the past and which are completely irrelevant to the challenges and the needs of the present day. It must be our common concern to do nothing—and to ensure that nothing is done—which could jeopardize the future of ASEAN.

Let, therefore, the voice of ASEAN which emerges from this meeting be a firm, clear and united call to action in the service of our peoples to ensure their peace, their progress and their prosperity. It cannot be the pre-ordained fate of the countries of Southeast Asia to remain divided and apart. It must be our destiny to come together, to live together, and to work together in a spirit of friendship, harmony and understanding.

We, the countries of ASEAN, have already embarked on that road in the last year; let us now pursue that path with vigour and determination to fulfil the hopes and expectations not only for our respective peoples but also for millions of others in the region of Southeast Asia.

MANY THINGS IN COMMON

NEW ZEALAND THANKED FOR HER SUPPORT TO MALAYSIA

Speaking at a luncheon given by the Prime Minister of New Zealand in the Members' Dining Room of the Parliament House, Christchurch, in April, 1967, Tun Razak disclosed, "In our country the threat from Communist subversion and terrorism is still serious." Opportunity was taken by him in the course of the following speech to thank New Zealand for the support given in defeating the militant communists in Malaysia in July, 1960

When we achieved Independence in August, 1957, we had the communist war and, as Minister of Defence and Security, I could not find the time to leave the country. We had to devote our energy and resources towards bringing an end to this war. And thanks to the help given by your country, Australia and the United Kingdom, and with the solid support of our people, we were able to defeat the militant Communists in July, 1960.

However, immediately after that, we had to embark on a gigantic development programme, in particular, rural development. We had to show to our people, particularly those who live in the rural areas, in the villages, who stood by us during our fight against the Communists, that our democratic form of Government is the only form of Government that could serve them and meet their expectations. I had to create a new Ministry of National and Rural Development under my personal charge and had to divert all our energy and resources and indeed, the whole machinery that fought the war against the Communists, towards development. We felt it was necessary that we should produce results quickly in order to prevent our people from being subverted and attracted to Communism.

After concentrating our efforts on development for about a year, we had to begin negotiations for the establishment of Malaysia, and, as you know, Mr Prime Minister, Malaysia was established in September, 1963 when the States of Singapore, Sabah and Sarawak joined us to form this new nation.

However, on the very day that this new nation was born, the former Government of Indonesia launched their confrontation

against us and we had to face another war. Again, our Independence and sovereignty was challenged by aggression from outside. However, with the full support of our people and again with the help of friends, such as New Zealand, we were able to stand and fight for our own freedom and survival.



Tun Razak is meeting Mr Keith Holyoake, the Prime Minister of New Zealand, on his arrival in Kuala Lumpur on 8th June, 1968.

Therefore, Mr Prime Minister, the strength and the unity of our young nation had been tested in war twice during its short life of 10 years. We are happy and thankful to Providence for sparing us during these years of stress and strain.

That is why, Mr Prime Minister, I am so happy to have this opportunity to visit New Zealand as it enables me to thank you, members of your Government, and the people of New Zealand, for the assistance that they have given us in so many ways—in the economic field, in the education of our young men and women, in the expansion of our Armed Forces, and most important of all, in the defence of our country. During the confrontation by the former regime of Indonesia, your soldiers stood side by side with our own and with our other friends from the Commonwealth in the defence of our country. Some of them have sacrificed their lives and for all these, we are ever grateful.

Mr Prime Minister, our two countries have many things in common. We are both small nations—both multi-racial in character. We have similar problems and our people share the same ideals and aspirations. Over the years, through our students coming here in their hundreds to study and through your soldiers helping in the defence of our country, and through constant contact between leaders of our two Governments, we have built up close and warm relations between us.

As I have said, the last 10 years had been difficult and indeed turbulent years for us in Malaysia as well as for the whole of Southeast Asia. The Communist threat from the north loomed large on the whole of Southeast Asia. At one time in 1965, the situation appeared somewhat critical. Vietnam seemed almost lost, Indonesia appeared to be tottering on the brink.

Now, the situation has considerably improved. The position in Vietnam appears brighter. Nationalist forces in Indonesia rose to the occasion and saved their country from being dominated by the Communists. We can now look to the future with cautious optimism.

In our country the threat from Communist subversion and terrorism is still serious. On the border between us and Thailand there are still about 500 Communists lurking in the jungle, waiting for a chance to strike again at us. In Sarawak and on the border with Indonesia there are about 1,000 hard-core, determined Communists carrying out acts of subversion and terrorism. That is why we have to continue to be vigilant. Our soldiers and our Police force are continually operating against them, searching them in their jungle hide-outs.

We in Malaysia are determined to stamp out this menace. We believe that we are fighting not only for our own survival but for the common cause—for the survival of all those who believe in freedom and democracy and for the principle that any nation, however small, has a right to be left alone to pursue its own way of life.

That is why, Mr Prime Minister, we are doing all we can to fight our common enemies, the militant Communists, not only in the military field, but perhaps more important, in the economic field. We believe that the only sure way of fighting against the appeal of Communism is by giving our people the promise of a better life with freedom and democracy.

While doing everything possible internally ourselves, we are also endeavouring to bring the countries in Southeast Asia closer together to co-operate in economic, cultural and other fields for mutual benefit; for, Mr Prime Minister, in the present age, it is not possible for any country to live in a vacuum or be isolated, particularly, small countries. We can only survive if we stand together united in the defence of the common cause of democratic freedom and of the ways of life which we cherish and uphold.

I can assure you we will go back to Malaysia carrying with us happy memories of our short stay and confident in the thought that our two peoples will always stand together in the defence of the ideal which we both believe in. Though I do not wish and God forbids that we in Malaysia will again go through the ordeals that we have just passed, but if such a catastrophe does happen again, I am convinced your Government and your people will come readily to our aid.

A MAGNIFICENT VILLAGE

THE TUN'S CALL TO AUSTRALIAN BANKERS AND INDUSTRIALISTS

In his address to the bankers and industrialists in Melbourne on 21st April, 1967, Tun Abdul Razak expressed the hope that more Australian investors would avail themselves of the tremendous opportunities that Malaysia offers. His reasons: Political stability, sound currency and extremely favourable investment climate and a growing market.

I understand that the first man who came to this part of Australia, a man named John Batman, sailed up the river Yarra and wrote in his diary, "This will be the place for a village." What a magnificent village it has turned out to be! I come from a land of 1,000 villages and I hope I learn something here about making villages grow like this one.

Traditionally, our villages have been built in the spirit of what we call "Gotong royong" or "Mutual help". Before the coming of money and banks there was no other way and the system worked well enough. Even today it works, and it will continue to work as long as human beings remain civilised because there

is and there could be no civilisation without mutual help and self reliance. Now this kind of co-operation is symbolised very neatly in your great bank, the Australian and New Zealand Bank Limited, bringing together the financial and economic resources of the two countries of Australia and New Zealand.

This "gotong royong" spirit is something we in Malaysia lay great store by. That is why we subscribe to such agencies of co-operation where we not only accept help but also provide whatever assistance we can that is required by our friends. The Association of South East Asia and the Asian Development Bank are recent examples. One which is very familiar to you is the Colombo Plan.

We in Malaysia have benefited greatly by participating in the Colombo Plan, and to a great extent our people associate the Plan first and foremost with Australia. This is so because of the large number of Malaysian students we have here under the Colombo Plan and the consequent contact that has been established which has been close and continuous. Secondly, because aid from Australia has had a tremendous impact on so many aspects of life in Malaysia, so much so that when our newspapers mention Colombo Plan, it is often in connection wih Australia.

Australia is, indeed, promoting international co-operation in a very real and dramatic sense as far as Malaysia is concerned. As a developing country with hopes and plans to give her people the good things of life and the machinery to implement these plans, Malaysia is grateful for the aid given by her friends. You Australians have given us much. Your capital assistance projects in my country ranges from the supplying of medical equipment for our hospitals and more recently for our new teaching hospital equipment for our trade and vocational schools and also for the Faculty of Engineering. We have had 135 experts from Australia over the last 15 years and they have provided their expertise in such varied fields as taxation, central banking, insurance, civil aviation and instructors for our schools and hospitals.

You will notice that when I mentioned the kind of assistance that we have received under the Colombo Plan, I referred to mainly assistance in the public sector of our economy. As in other developing countries the public sector is a very important one. But in Malaysia we also attach great significance on the private sector, for Malaysia has basically a free enterprise

economy where the individual is given every encouragement to push ahead with his drive and talents.

The public sector, as far as we are concerned, is to provide the infra structure, the base, in other words the necessary frame-work for our people to build their lives and fortunes, and in the process hand in hand the future of the nation.

It is, therefore, in the private sector that we can expect to accomplish the achievements that will bring real material progress. You, gentlemen, represent this vital sector, this section of the community that can sail up a river, cast its eyes on a barren landscape and visualize a vast enterprise that will grow and flourish, as indeed it has. You, gentlemen, represent the sector that can make this vision come true.

As you know, the Malaysian economy is heavily dependent on two major export commodities, rubber and tin. The price for our rubber however has been rapidly declining in recent years. As for tin, although the price decline has not been as bad as for rubber, the known reserves of tin are depleting. The down-ward price trend for our two main exports poses problems to us which you can readily understand—because you too depended for a long time on a narrow based economy, the base being the back of your famous Merino sheep. In the same way as you decided to diversify years ago, we are now in the process of diversifying our economy. We are doing what we can to diversify the agricultural sector, but equally we are very earnest on industrialisation.

How are we to do this? Once again we find ourselves thinking and acting on your example. In spite of much opposition from various quarters you not only embarked on industrialisation on your own but offered great investment opportunities to another young and energetic nation, the United States. Thus the post-war era has witnessed a remarkable upward surge of your economy and you have gone a long way in diversifying and industrialising your economy. Your vast hinterland, with the untapped resources, offered investors both in your country and outside with new great profitable opportunities which they responded, and your city today stands testimony to the soundness of your good system and the success of your policy.

Malaysia today looks at Australia in much the same way as you regarded the United States after the war, as a source of

private investment. We are encouraged to do this for not only is Australia a friendly and understanding neighbour, but she is also an important trading partner of Malaysia. In fact, Australia was the first country with whom the then Federation of Malaya entered into a trade agreement barely a year after we attained Independence in 1957. As you are aware, Malaysian imports from your country have been increasing in recent years and the balance of trade has largely been in your favour with more of your manufactured goods coming into our market and with the quality of your goods finding so ready acceptance in our market, I feel there is no dearth of investment opportunities for Australian industrialists.

We can derive much mutual benefit in investment. I would like to see more Australian investment in my country. Malaysia is in a position to offer Australian industrialists investment opportunities in the country as good as, if not better, than those found in any other part of Southeast Asia. For some reason or other, I understand that Australian investors have not fully availed themselves of the tremendous opportunities that we offer. Perhaps we have not made the picture clear to you.

Allow me to give you just one illustration to show why I feel so strongly that you could play a profitable as well as indeed a useful role in our efforts to industrialise the country.

It is likely that you have heard of our historic town—Malacca. It is a picturesque town, complete with an ancient fort and churches, but just outside the town is a village that has endured the hundreds of years of comparative under-developed existence. In fact the pre-Independence per capita income in this village has been estimated at Australian $8 a month. But in the last few years there has been a great transformation. This village, just as many others, has witnessed a silent revolution. A land development scheme has got under way and each of the villagers has been given 10 acres of high yielding rubber land. The rubber trees are now almost ready for tapping. Later this year when tapping begins the income to each of these villagers will rise to something like Australian $100. You might feel that this is remarkable; undoubtedly it is, but something even more remarkable is happening which should be of great interest to you as potential investors in my country. A few weeks ago I visited this village and I noted that there were already two motor cars in

that village. Mind you, they were not luxurious limousines but good sturdy vehicles used for taking some of the subsidiary crops to the market.

This village I speak about is only one of the 62 land development schemes we have launched in the last seven years, covering about 270,000 acres. Of this area more than 100,000 acres have been planted with rubber and nearly 30,000 with oil palm. My Government has now reached an advanced stage in its planning of another scheme in my own home state of Pahang—the Jengka Triangle, covering 150,000 acres of untouched forest. This, our biggest land settlement scheme, will provide farms for 12,000 families, and of course new captive markets for the goods turned out by our domestic manufacturers. These people will, in a matter of four or five years, have a purchasing capacity that they cannot imagine today.

It is in these and other ways that even today Malaysia, with a population of barely 10 million, already commands a purchasing power that is at least twice as high as other countries in Southeast Asia with much bigger population. I need not add to you the importance that you attach as industrialists to this purchasing power and the fact that it is a growing one. I might say that in this sense we are like Australia having a small population but with relatively high standard of living and forging ahead for even higher standards of living. So do not hesitate to come and invest in Malaysia merely because of the small size of the population. The only thing you have to do is to learn from your own experience; one does not necessarily need a large population to provide a healthy and growing market.

The political stability, sound currency and extremely favourable investment climate and a growing market are already there to attract you. And we intend to provide even more fiscal incentives to attract both domestic and foreign investors to the manufacturing sector. I am sure that Australia which has set the lead in so many fields will again respond to this call for mutual co-operation for mutual benefit in the field of private investment.

My visit here has been also to learn something about you. I have learnt one thing of great significance to us. I have seen some of the moving spirit and dedication that brought the magnificent dreams of such men as John Batman come true. We in Malaysia

too have our pioneers, and they would welcome the descendants of Batman, Lonsdale and Lathrope to participate in the great adventure that we have embarked on in my country in carving the jungle to make way for the villages that will in time grow to be beautiful and magnificent as this your city of Melbourne is. Thank you.

EXAMPLES OF RACE RELATIONS

During his visit to New Zealand in April, 1967, the Tun extolled in a radio broadcast the noble qualities of the Government and the people of New Zealand who, in a friendly manner, extended help in many directions to promote harmony and progress among the peoples in this part of South East Asia.

Continuing Tun Razak said:

I have always been impressed by examples of your race relations, how you attempt to solve them not by emotional dialogue, or theoretical analysis, but rather by examples and deeds, by making the life of every individual citizen of yours rich and meaningful regardless of his racial origin. I have come this time to see for myself and perhaps to benefit by the knowledge I have gained in this short visit.

I always believe there is wealth in diversity with each racial component contributing all its best features towards creating a truly rich national identity. In this respect your nation is already far in advance and has already been well established. We in Malaysia are committed to follow this same path of evolution in solving our multi-racial problems."

"LEST WE FORGET"

The immense help that Australia gave during the dark days of the Pacific War, during the Emergency in Malaysia and during the Indonesian confrontation was recalled by Tun Abdul Razak in his address at the South East Asia and South West Pacific Veterans Conference at the National Headquarters of the Returned Servicemen's League of Australia in Canberra on 14th April, 1967. Extracts of his speech follow.

Today I have come to pay tribute to you; to thank you, on behalf of my country, for rallying to our defence when we were sorely tried by powerful enemies. But my tribute would not be complete if I did not mention all those gallant comrades-in-arms who have made the supreme sacrifice for the cause of Malaysia's freedom. We, Malaysians, salute them for their heroic self-sacrifice. We will always be indebted to them.

Today, therefore, we are renewing old ties forged in the heat of battle. Today we are renewing our dedication to the principles of freedom and justice. Today we look forward to the future of our region with new hope and new confidence.

Today there is a spirit abroad in Southeast Asia. It is the spirit of co-operation and friendship among the nations and peoples of Southeast Asia. It is a spirit born of the conviction that mutual isolution can never bring security, happiness and well-being to our region or to any country belonging to it. On the contrary, mutual isolation will only encourage the common enemy to step up his efforts to divide, to disrupt and, eventually, to dominate.

In our common struggle against aggressive communism, it is imperative that the bonds of friendship and co-operation that exist between our two countries should continue to be strengthened. In the military sphere my Government looks forward to increasingly fruitful collaboration with the Australian Government in terms not only of assistance in the development of the Malaysian Armed Forces and of the Australian assistance in Malaysia's defence arrangements but also of closer consultations on other problems. One of these is the problem of providing for the welfare of our war veterans.

Finally, I would like to wish your conference every success in its deliberations. We owe an immense debt to you and to those who have made the supreme sacrifice for the defence of our region against the forces of tyranny and oppression. For without your sacrifices we would not be standing, as we are today, on the threshold of a new era of hope and progress, of happiness and peace, in this important part of the world to which we all belong.

THE COMMON POLITICAL PHILOSOPHY

— AND HOW TO MEET THREAT OF COMMUNIST EXPANSION

How to meet and master the main problems of Southeast Asia—the constant threat of militant communist expansion—was explained by Tun Abdul Razak when he addressed the members of the Australian—Malaysia Association in Sydney on 19th April, 1967. His remarks are given below.

You know what exists in Malaysia for which we are renowned. For example, there is a lot of rubber, there is a lot of tin and plenty of timber. You know all about this by looking at the world stock market where you see the prices of rubber and tin fluctuating from day to day!

But there is one thing in my country, Malaysia, which is equally abundant as rubber and tin but not recorded in the world stock market. Even if it were recorded this commodity, if you can describe it as such, does not fluctuate from day to day but remains at a high level. That thing is the abundance of goodwill we have for Australia and you Australians. Tin, as you know, is produced by diggers and rubber by planters.

The main producers of goodwill in Malaysia towards Australia are the thousands of students who have already graduated at your colleges and Universities and have returned to my country fully equipped to play their part.

The kindness and hospitality which they received not only on the campus but in the homes of honest to God, decent living and

sincere Australians have left its mark on those who have had the opportunity of obtaining their higher education in this country. In many cases they have brought back a bit of your country in the form of shapely Australian girls as their wives, and we have many young Malaysian female graduates who have been unable to resist the manliness of the Australian males and succumbed to their marriage proposals.

Another source of the production of mutual goodwill between our two countries is the many thousands of Australians living and working in Malaysia in all fields.

Indeed, we Malaysians, have a lot in common with you Australians. We both have a Federal form of Government. We are both determined to uphold the principles of Democracy.

We are both determined to develop the potential of our country towards the economic stability and prosperity for our people. We are both determined to defend that democracy against the threat to our individual sovereignty from the militant communist menace which overshadows the security of the region in which we live.

Let us take democracy.

Under our Parliamentary system which is practised both in Malaysia and Australia, the most important fact which faces the political leadership of both our countries is the sobering experience that, as democratic leaders, we have to hold our breath every five years and you every three years while our people decide to review the record of our action and make their own free decision whether or not to kick us out or give us another chance! True parliamentary democracy therefore requires the party in power to translate into action sensible policies with tangible results on the ground.

We in Malaysia realise this fact—in fact this is the very basis of the common political philosophy both in your country and mine.

It is my belief, a belief strengthened by experience of my dual portfolios of Defence and Development, that the strongest safeguard of a young nation's sovereignty and the greatest guarantee for progress lies not only in Defence and adequate military strength but very much more so in the attainment of development results and economic strength.

We in Malaysia have evolved our own technique of develop ment plan implementation. I can say with modesty that thes techniques have been a success. We have been able to brin changes to both rural and urban areas. Today our people ar enjoying a measure of happiness and progress which they desire However we are determined to do more.

I can assure you that every ounce and cent of the developmen aid which Australia has already so generously given to my countr has been absorbed into our implementation process and has bee put to the fullest use for the benefit of our people. I can further assure you the same will apply to any such aid in the future.

I myself am confident that with mutual trust and co-operation goodwill, hard work and determination on the part of all Malay- sians, both Government and our people, and with the goodwill financial and technical assistance from friendly nations, Malaysia will develop from strength to strength to play our part and make our full contribution towards the security and economic stability of this region.

Let me now say a few words on the main problem of this region of Southeast Asia. It is the constant threat of militant communist expansion and ultimate domination. We in Malaysia have taken a firm stand against militant communism in our country. For 12 years we experienced active militant communist terrorism in our country. They drained our resources, both manpower and financial, and delayed our development. We fought them and defeated them and we are now determined that this period of our national history will not repeat itself.

The presence in our midst of hard core communists ever willing, given a chance, to resort to guerrilla tactics and armed terrorism demand constant vigilance on our part and the maintenance of sufficient militant deterrent to maintain law and order.

But the maintenance of a strong cordon of military security, as my people have realised, is not the final answer to militant communism. That military strength is needed is undeniable to prevent us from being swamped by force by our enemy. But equally necessary is the strength and ability to carry out social and economic development.

The mutual aim of the people of our region must not only be the elimination of militant communism but also to sustain and

preserve the democratic way of life. We must, therefore, build up democracy so that it becomes so deeply woven into the fabric of our national way of life that it will never be allowed to be substituted by any other form of Government.

I would like to give you a formula for this region to stop the creeping paralysis of communism which, if not arrested, will mutilate the whole of Southeast Asia.

The formula is simple. I call it "4 D's":

— *Democracy is our base.*
— *Defence to protect our democracy.*
— *Development for the prosperity of our people.*
— *Determination by all free countries in the area to co-operate with each other through trade, commerce, industry and all other aspects of economic development.*

Before I close my address I would like to take this opportunity to thank you, Mr President, and members of your Association for the unfailing support and assistance that your Association rendered to us during the period of our trials and tribulations, that is the period of Indonesian confrontation, and more recently the funds that you raised for flood relief in Malaysia. Thank you.

There are still barriers to modernisation in the villages where traditional societies in some cases still cling to ancient beliefs and are slow to change. We are continuing by means of persuasion, education and example, to change the mental outlook of the people to show to them the benefits that they would obtain from a modern and civilised life. We are satisfied with the progress we are making in this respect and people are now demanding for better amenities of life and for improvements in their means of livelihood. We have, therefore, to do all that we can to meet their rising expectations. And we are doing all these through the process of democracy.

— *Tun Abdul Razak in a message relating to Malaysia's Rural Development Programme.*

WHAT MALAYSIA CAN OFFER

CALL TO AMERICAN COUNCIL OF COMMERCE AND INDUSTRY

In an address to the annual convention of the Far East American Council of Commerce and Industry at the Waldorf-Astoria Hotel in New York on 3rd October, 1966, Tun Abdul Razak said, "We need external help in order to achieve our aim to build a stable and happy nation." Then he pointed out the opportunities for trade in Malaysia:

(1) We offer unusually bright prospects for the foreign investor . . .

(2) We offer the stability businessmen require . . .

(3) We have the determination and discipline—the ingredients necessary for continued prosperity and growth.

His speech follows:

I understand that your Council was originally founded in 1943, and that it was in 1946, no less than 20 years ago, that your Council was re-named "The Far East American Council". But in these last 20 years since you have had a new name, tremendous changes have taken place and no longer is the "Far East" in which my country, Malaysia, is geographically situated—no longer is it so far away from the United States.

In fact, as every day passes, both United States and Malaysia are coming nearer and nearer together, modern methods of travel have brought us much closer physically, but deeper than this, our mutual ties, as individual member nations in the free world, our mutual determination to maintain and uphold the principles of democracy; our mutual policy of opposing aggression and subversion, our mutual expressed wish to achieve the expansion of trade; our mutual aim to eliminate world tensions, and our mutual determination to build up confidence between our two respective Nations by knowing and understanding each other better. All these have tended to bring our two nations closer together although we may be far apart geographically.

My country, Malaysia, is a small nation of 10 million people situated at the crossroads of Southeast Asia. In fact, after my recent stay in Puerto Rico where I learned so much about hurricanes, I would say to use an American expression: Malaysia is the "eye of the storm" or in other words the vortex of the

hurricane of present Southeast Asian politics. When we achieved independence in 1957, we had to fight militant communist terrorism. We defeated them and we found by experience that having won the war against communist terrorism, we had to set about winning the peace. This is a fact sometimes forgotten by the free world that Malaysia like high quality steel has been tempered to a high degree of tensile strength and because we have been through the fire of militant communism, we have learned to steel our nation against future subversion by communism. Therefore, in winning peace, the answer to communist subversion lies in accelerated development and a better way of life for our people, so that they would no longer be subject to subversion, but would live happy, contented and useful lives with a steadily increasing standard of living.

If the democratic nations of the world are to resist communist domination and subversion and move faster together forward towards greater prosperity and progress, everything possible must be done to close any gaps which exist between the newly developing democratic nations and those which are the old established and enjoying greater prosperity. As it is with a motor-car or automobile if the gap in the spark plug is too wide then there is little chance of the car gaining any speed, whereas if the gap is properly adjusted then there is hope for greater power and speed. So it is, as I said, with the nations of the free world, with both the rich and poor nations of the free world, we must close the gap to obtain greater understanding and greater economic co-operation if the newly developing democratic Asia, particularly, Southeast Asia, are to resist the threat of communist aggression and subversion.

Ladies and Gentlemen, it is my view that you cannot separate "Development and Politics."

We believe that the first basic for economic development is the type of political leadership which will not waste national emotions on non-essential rabble-rousing. We believe in the type of political leadership which will channel both the emotion and energies of our people in the direction of development and progress so that we can build up Malaysia into a self-reliant and economically viable country, fit to take its rightful place among the free nations of the world and be a fortress of democracy and the democratic way of life.

Talking of democracy, I say with modesty that there is a similarity between my country, Malaysia, and your Cape Kennedy.

Cape Kennedy is the launching ground in the Western world for sending space ships to the moon. In Malaysia, on the other hand, we have launched democracy off the ground into the orbit of Southeast Asia. We have been successful during our nine years of independence in upholding democratic principles and maintaining a democratic way of life motivated with a determined desire to develop our economy to the maximum. Although, we have broken through, so to speak, the sound barrier of both democracy and development in our journey towards national progress, nevertheless, we have come to a critical stage, similar to the critical stage reached by space ships in orbit—a stage in which we desperately require a further "boosting charge" to our economy.

I am glad to be standing here facing you today because you as American businessmen are just the type of "boosters" Malaysia needs today. We had tried to our utmost, within our own existing resources, to plan and implement a programme of development with the aim of building up a nation with a stronng economic base. We take particular pride in our effective techniques for carrying out projects and programmes. You may have heard of our Development Operations Room, our National, State and District Development Committees, and our Red Books of locally-sponsored development projects. We use these techniques in our planning as well as for implementation in order to ensure that there is significant grass roots participation in our development planning process and implementation to ensure we achieve the desired results. I should like to invite you all to visit Malaysia and see our National Operations Room and as much as you wish of our public and private development activities in the development field. We have an interesting story to tell and every year we receive more and more visitors who come to hear this story and judge Malaysia for themselves.

Ladies and Gentlemen, we have, in Malaysia, in spite of the development progress we have achieved since independence, our problems, and I should like to dispel the popular misconception that Malaysia is so rich and developing so fast that we do not need any outside aid. We do need aid and we also need trade. Partly because of the declining price of rubber, and partly because of other trends, Malaysia is now facing a number of economic problems. Three of them are particularly serious, and will grow even more urgent unless we find ways to meet them. For several years now, public expenditure has been rising faster than revenue.

Expenditure grows because our nation is growing and our people are demanding more education, more better health facilities and all the rest of the services of a modern government and are progressively getting them. Revenue is lagging, partly because of the low price of rubber and partly because we are approaching the limit of the taxes our economy can bear without deterring private investment and production.

Most of the new visitors to Malaysia find it hard to believe how few restrictions we impose on imports of commodities, services and capital, and on transfers of profits and principal out of Malaysia. We cherish our freedom in international transactions, and our ability to maintain it has been based on our large export earnings. But recently these have been growing less rapidly than what we spend abroad. Again the reason is partly the low price of rubber and partly the rapid growth of our economy, with rising demand for various types of imports. In some sections of our country, mainly in urban areas and rural areas we have a nagging problem of unemployment, especially of young people who have recently left school. At the same time we are temporarily short of teachers, physicians, engineers, managers and indeed virtually all kinds of skilled or professional manpower. This problem does not indicate any reduction in manpower available, only a rapid increase in the opportunities and felt needs. This problem will solve itself when the many thousands of Malaysians at present studying in the United Kingdom, the United States, Australia, New Zealand, Canada and other friendly countries return, professionally qualified, to Malaysia.

That is why we are so grateful to the many hundreds of young American Peace Corps volunteers who are doing extremely useful jobs to help filling this until our young men and women who are being trained abroad complete their training. We are not seeking to eliminate any efficient production, but we are pushing hard to add new kinds of productive activity, both agricultural and industrial. By producing more goods and services, both traditional and new, we shall earn more from exports and spend less on imports, while providing a basis for larger public revenue. By training more Malaysians in all kinds of needed skills we shall in time be able to fill our high-level positions. And by expanding industry, agriculture and commerce we shall be able to provide enough jobs for our labour force.

Now to achieve these results before our problems become unmanageable, we need to move rapidly. We intend just that, and

we invite American participation. From our point of view, the situation is urgent, and we are proceeding accordingly. From your point of view, I hope, Malaysia represents particularly promising opportunities made even brighter by the very sense of urgency that drives my government.

Our method involves doing whatever we can do ourselves, co-operating with our neighbours in Asia, welcoming private foreign investment, making appropriate use of private capital markets abroad and seeking public loans and grants from friendly international agencies. We have had long and close relations with the World Bank. We have floated bond issues in London and New York, but at the moment high interest rates are preventing us from raising loans in these capital markets. In short, Malaysia is relying on its own resources insofar as practical, co-operating actively with other governments and international organisations and offering rich opportunities to private foreign investment.

However, I will be frank with you and say quite honestly that we need external help in order to achieve our national aim to build a stable and happy nation. In Malaysia, as in the United States, we allow and encourage private enterprise in our economy, and businessmen are generally free to pursue their interests.

We have large firms and small, Malaysian, foreign and joint enterprises in virtually all kinds of business. There are tremendous opportunities for business investment in Malaysia and it is my belief that the aid Malaysia requires at this stage of development as a free and democratic nation is not so much in the form of arms, is not the aid of troops and hand-outs, but aid by trade so that we can continue to raise the standard of living of our people and make them immune to communist subversion.

You, Gentlemen, as American businessmen, should, in fact, welcome this principle of "aid by trade." Your Government at present is spending quite rightly, a lot of money in trying to curtail the curtain of militant communism over free democratically developing countries of Southeast Asia. This military expenditure is no doubt very necessary. But it is an unproductive expenditure and is a drain on you all and limits the expansion of your trade and industry, because money which could otherwise be ploughed back into the further development of your business ventures must be taken away to meet the cost of military expenditure.

Do not misjudge me. I am not saying that in fighting militant communism military expenditure is wrong. What I feel is this—militant and aggressive communism, in any place, or in any form

must be fought with a double-edged weapon. One edge, the military edge, to be used to combat militant communism with militant action. The other and more important edge of the weapon—the economic edge to simultaneously raise the standard of living of, and give those developing countries like Malaysia which are determined to resist communism, a viable economy—the real and only antidote to communist subversion.

I would like to see a policy amongst the free nations of the world, particularly, among our richer friends like the United States whereby the main answer to communist aggression lies, firstly, in the faith of the sincerity of countries like mine. Although we may be poor—judged against the standards of the affluent society, although we have not yet developed our potential resources to the full, nevertheless we have a tremendous fund of faith in the democratic way of life and we believe that with the help of the richer nations of the free world we will be able to maintain and sustain the two main blood-streams of our survival—development and democracy—these two essentials to Malaysia are, in fact, the pen and ink which will eventually help write the obituary of communist aggression in Southeast Asia.

Malaysia is a peaceful and democratic country; politically and economically stable and friendly with the United States. We want to keep it that way. But it is sometimes difficult to understand why even though your government is so generous in providing assistance to so many other developing countries, it yet seems reluctant to give forth-right and substantial aid to Malaysia.

We are not looking for direct hand-outs. We are looking for people to have faith in us, and to invest in our country and to play a part in the development of industry and trade in our country. On the other hand, as hard-headed businessmen you are looking for opportunities of expansion of your enterprises, and my main message to you today is this. If you want to expand and invest and you look around the world for a suitable place to do this; then I suggest you look towards Malaysia where you will find the basic requirements you seek—political stability within a democratic framework and potential of progress to the mutual advantage of both our countries, Malaysia and the United States.

Malaysia offers unusually bright prospects for the foreign investor. A number of American firms are already established in Malaysia. They are good for Malaysia and we are happy to have

them. But there is room for many more. We offer the stability businessmen require, good public services, financial services, internal transportation and communications, international shipping services, and other items of what economists call infrastructure. Our taxes are reasonable and honestly administered.

Above all, Malaysians have the determination, the discipline and many of the other qualities necessary for continued prosperity and growth, and have met our economic targets. But no country can be completely self-sufficient, and there are some important ingredients we need from outside. American business can in many cases provide just the thing we need most. We invite your participation and we offer favourable prospects. We are not in dire straits, pleading for emergency help. We are a going and growing concern, and with your help we intend to keep on developing this way and progress. Our needs create important opportunities for American enterprise. We look forward to having more and more Americans with us in our development journey.

A PLEDGE TO UNITED NATIONS

THREE HAPPY EVENTS BRING REJOICING IN MALAYSIA

Tun Abdul Razak, as the Chairman of the Delegation of Malaysia to the XXIst Session of the United Nations General Assembly, made the following statement on 26th September, 1966, when he explained his country's aims and aspirations and its foreign policy based on the U.N. Charter.

One may not forget that with this session—the 21st—the General Assembly or, what is the same thing, the United Nations, has come of age. The United Nations in recent years has had its painful problems of adolescence. These were struggling years of growth when the important and unimportant jostled for attention. That experience was the very condition for progress towards maturity.

Today, therefore, as we stand on the threshold of a new chapter of human history, may I be permitted to express the hope that all of us gathered here in this great Assembly of Nations, representing our respective countries, will renew our pledge to uphold the

Charter of the United Nations and endeavour to realise the objective of co-operation among nations in a peaceful world of order, of law and of justice.

We, in Malaysia, have always based our foreign policy on the norms of behaviour as prescribed by the charter. We desire above all to be friendly with all countries regardless of their ideological persuasions and systems of Government. We believe, Sir, that it is just and right for each country to choose the system of Government and way of life best suited to it. For that is the essence of peaceful co-existence. We believe that each country has the right to be free from outside interference in any form, and that respect for each others' political sovereignty and territorial integrity is a precondition for peaceful living among nations. So long as there is mutual respect for each other's independence and sovereignty, we believe that the nations of the world of whatever ideological convictions can live together, not merely in passive co-existence but in active co-operation for the common pursuit of peace and economic and social well-being of the peoples of the world. In this spirit of positive international co-operation we want to develop further ties of friendship with as many countries as are similarly disposed towards us.

Malaysia firmly believes that the United Nations has a major role to play in bringing about active international co-operation among nations. As the only universal organisation available to mankind, the United Nations has vast potentialities as an effective instrument for harmonizing relations among nations, to soften the edges of discord, and in broader terms and as its ultimate objective, to evolve a peaceful and prosperous world order with freedom and justice.

Twenty-one years ago this Organisation began with a membership of fifty-one. Large segments of the human race were unaccounted for, or at least unrepresented. But the principle of universality was enshrined in the concept of the United Nations. Today this Organisation consists of 118 members. That simple arithmetical fact alone emphasises the growing strength of the Organisation as it also emphasises how our problems have

necessarily grown not only in number, but inevitably in complexity. The present membership of our Organisation so nearly embraces the entire organised and peopled surface of the earth that lack of universality has to some extent diminished the authority of the Organisation. It is, therefore, the plain duty of the present members of the Organisation to encourage the hesitant few outside it to come in and thereby strengthen the authority of the United Nations so that it may be better able to achieve its ideals and objectives.

The absence of the People's Republic of China from the United Nations has often been cited as a glaring example of the lack of universality in the Organisation. My country has always believed that the Chinese people with their illustrious civilization, a people who number one-quarter of the world's population, should be brought into association together with the other 118 Member States of this Organisation. It is a fact, however, Mr President, that the People's Republic of China by choosing to adopt critical and even hostile policies towards the United Nations has created barriers on its own path, which prevent it from joining the United Nations unless the Organisation is refashioned in a manner acceptable to it. We regret China's attitude to the United Nations—that this Organisation should be completely reorganised and reconstructed in conformity with its own preconceptions. That the Organisation has in the past shown certain weaknesses and difficulties cannot be denied. But no single State, however powerful or populous, can impose its will upon the United Nations. No single State can remake the United Nations in its own image and likeness.

While my Government believes in the importance of the representation of the Peoples' Republic of China in the United Nations, we strongly feel at the same time that this can only be considered together with the question of the fate of the thirteen million inhabitants of Taiwan. We have always held the view that these thirteen million inhabitants of Taiwan must not be denied the right to pursue a separate destiny of their own, a right this Organisation has prescribed for and promoted in even the tiniest colonies of the world. My country believes that this Organisation cannot deny the thirteen million inhabitants of Taiwan their inalienable right to self determination and that Taiwan should not be tied to the chariot wheel of the mainland State, merely because of the latter's claim that it is an integral part of China. Therefore, in

my Government's view, it would be unrealistic and unjust for this Organisation to take a decision on this question in a manner that would give legal and moral sanction to the sacrifice of the rights of the inhabitants of Taiwan to the demands of mainland China. Taiwan should be allowed the right to remain a member of the United Nations while Mainland China should be admitted to this Organisation if she so agrees.

Mr President, I have referred in my earlier remarks to the United Nations consisting of 118 States. This number during the 20th session remained at only 116, by the voluntary non-participation of the Republic of Indonesia. Permit me, Mr President, to say a word now about the great State of Indonesia, a close neighbour of my country and peopled by no less than 107 million people who are linked to my country by strong ties of history, race and culture.

Members of the Assembly are aware of the unhappy differences which arose between Indonesia and Malaysia almost precisely three years ago. The events of the past three years have kept apart our two countries, two countries which have every reason to hold together and work closely together and no justification whatsoever to stand apart. It is a matter of great rejoicing not only to our two peoples but to all peace-loving nations that this unhappy episode is now ended. The credit goes to both sides—it was a victory to both countries—a victory of peace and co-operation over enmity and confrontation. We, in Malaysia, have always believed in peace, co-operation and friendship among nations. That is why we are so happy that the new leaders of Indonesia have decided to bring an end to confrontation.

Mr President, I would like to pay my sincere tribute and that of my Government to the new leaders of Indonesia in particular to the Chairman of the Presidium, General Suharto, and the distinguished Foreign Minister of Indonesia, Mr Adam Malik, whose integrity, sincerity and patience have greatly contributed towards bringing about peace between our two countries. Now Indonesia and Malaysia can look forward to an era of peace, co-operation and friendship and my Government is determined to develop the closest and the most durable relationship between our two nations.

Mr President, since it was my great privilege to participate personally in the diplomatic negotiation leading to the resumption

of friendly relations between Indonesia and my country, may I be permitted to say in all humility, but with every satisfaction, that the restoration of peace in our part of South-east Asia represents a major contribution to the progressive stabilisation of the most turbulent region in the world today, namely, South-east Asia and by so doing, Mr President, Indonesia and Malaysia together have strengthened the stakes of peace, order and progress throughout the world. The ending of confrontation came about as a result of direct contacts between the countries in a sincere endeavour to bring about a peaceful settlement. As a result it was possible to discuss our differences freely and frankly and, in a spirit of friendship, to find ways and means of bringing about the desired settlement. We hope, Mr President, that this would set a pattern for the settlement of disputes between nations. It is a solution based on a sincere determination to find lasting solutions to differences and problems among nations by peaceful negotiations.

On behalf of my country I wish to take this opportunity of extending a formal welcome back to this Organisation of the delegation of Indonesia whose wise counsel in our debates had always been available to this Organisation and which will again be available with fresh vigour and a new earnestness. Coupled with our rapproachement with Indonesia, other equally happy events have recently taken place which bring profound rejoicing to us in Malaysia. I refer to the resumption of relations between Malaysia and the Philippines and also with Pakistan. With these happy developments, Malaysia can now look forward with the keenest anticipation to fruitful co-operation with these great Asian countries and neighbours in the pursuit of peace and economic and social well-being of our peoples.

I should like in this connection, Mr President, to place on the records of this Assembly our deep gratitude and appreciation for the personal initiative taken and the painstaking efforts which His Imperial Majesty the Shahinshah of Iran had made to bring about the restoration of normal relations between Pakistan and Malaysia.

Mr President, my country achieved its independence barely nine years ago. In that period we have devoted our energy and resources to development; but this process had been retarded because of the unhappy episode with Indonesia. With the return of peace to Malaysia, we can now redirect our resources and redouble our efforts in the field of development and towards giving our people a fuller measure of happiness and prosperity.

It is also a cardinal principle in the policy of my country to promote and achieve on a regional basis, co-operation in trade, economic and cultural matters. We firmly believe that regional co-operation is the logical starting point and indeed the basis for international co-operation on a wider global basis. It is desirable that states in particular geographical regions should get together on a co-operative basis to solve problems which, by their very nature, are common to them. It is obvious for example that one can more easily discover a common denominator and common basis for action, among States within a particular region, such as the States of South-east Asia, than seek to discover common ground between regions geographically placed as far apart as, say, South America and South-east Asia.

This is not to say that efforts should not be made to discover common factors among widely separated and disparate regions, for such an attitude would be contrary to the spirit, ideals and scope of the Charter. All that we in Malaysia plead for is a return to realism and commonsense, a return to first principles. We in Malaysia believe profoundly that world peace and world order is, in a very real sense, a process in which we should proceed, slowly and surely, from the particular to the general, from the part to the whole.

It is with this objective in mind that my Government, in association with the Governments of Thailand and of the Philippines has reactivated ASA, the Association of South-east Asia, which has had more than its rightful share of teething troubles in its early years.

ASA has been revived and revitalised with a view to pursuing common economic and cultural objectives shared by the states of our region. Its specific—and only—objectives are to promote co-operation among its members in the economic and cultural fields. It proposes, by its inherent immediate strength and its long-term potential, to generate economic forces for development.

This is not to say that the States of South-east Asia must learn and are now beginning to look inwards rather than outwards. This is only by way of changing the emphasis: and I wish to reiterate that our dedication to the Charter ideals of universal peace in conformity with the principles of justice and international law is not subject to any reservations or qualifications. The preamble to the Charter bids us live together in peace with one another as good

neighbours and the virtue of neighbourliness can first be proved and given effect by those who are neighbours.

But we cannot afford to live isolated lives as South-east Asians, and we are deeply aware that events occurring in other parts of the world necessarily affect us in South-east Asia to a greater or lesser extent.

Among the problems of worldwide importance is the problem of disarmament. It is a problem shared by all nations, from the greatest and most powerful to the smallest and weakest. The frenzied increase and improvement in armaments, both nuclear and conventional involve the whole world, not merely the great powers, since a general war would not discriminate between the guilty and the innocent in the casualty lists.

Every State, big or small, has, therefore, the right and the duty to call a halt to this insane competition among the big powers who seem determined to increase and perfect their potential power of destroying themselves and the entire human race.

It is a matter of no small significance that the 18 Nation Disarmament Committee functioning with 17 members has not been able to stem the aspirations of other States in their prestigious desire to enter what is known as the nuclear club.

Nuclear proliferation has also become a new ideological arena for conflict between the big powers. Nuclear military science has produced a new language and a new jargon of controversy that is all but meaningless to the rest of the world. The protagonists in this controversy use the same terminology to mean diametrically contradictory concepts. But the people of the world are demonstrating that they will not be deceived or confused by this verbal smokescreen. With this in mind, my delegation has in common with many other states like Sweden, consistently urged that non-nuclear powers should get together as soon as possible in order to enter into a convention pledging absolutely and for all time that they will not accept, either by gift or sale, possession, participation or custody of any nuclear weaponry from any nuclear power.

The urgency of such a move has been underlined by the recent proceedings of the 18 Nation Disarmament Committee which emphasise the danger posed by the attitude of certain States who possess the potential for a nuclear arsenal. These states have made

it clear that their present attitudes should not lead to the assumption that at a later stage they would be willing to adhere to nonproliferation Treaty. Mr President, as a country in South-east Asia, Malaysia cannot afford to forget that it lives under the shadow of an Asian nuclear power. Malaysia's interest in the problem of disarmament cannot be merely academic since our very existence is at stake. Therefore we strongly urge an early solution to this problem, whether under the auspices of the United Nations or otherwise.

Mr President, I turn now to the problems of trade and development. More than two years have gone by since the United Nations conference on trade and development. Its second conference is hopefully expected to take place next year. But we shall only be deluding ourselves if we tend to regard that mere passage of time as having in any way contributed to the progress to which the first conference had looked forward.

It must be admitted that the problems which cried for solution then, remain with us still. If anything, they have grown in extent, enlarged in its dimensions. The gap between the developed and the developing Nations is consistently and predicably growing wider on a scale that renders it less and less easy to bridge. Capital outflow has not significantly increased and technological skills are getting more and more beyond the reach of the developing nations. The rate of growth, ironically in the development decade, is slower than what it was in the earlier decade. Per capita food production in the ECAFE region has moved backwards—and it is here that the greater part of the world's population continues to reside and grow—and threatens to engulf all problems.

I have no doubt that we shall—whenever the conference meets next—expend more millions of words in a variety of languages, to take stock and endeavour to move forward. But I venture to think that instead of waiting hopefully for any positive action by the developed countries, a more useful endeavour will be for the developing countries themselves to meet and re-examine their need and discover if they cannot help themselves even in limited spheres of economic activity.

In this connection I wish to inform distinguished delegates that it is with this objective that my Government has planned a Seminar on development to be held next month in my country's Kuala Lumpur, at which several Afro-Asian invitees will meet

and exchange their knowledge and experience in the field of planning and development. We believe that this seminar will be productive of positive results towards helping the countries taking part in it to implement their respective development plans for a higher and faster rate of economic growth for the benefit of their own peoples. In this context the newly created Asian Development Bank of which my country is a member will become a most useful instrument for development in our region.

My Government has for some time been engaged in promoting economic co-operation and facilitating trade among countries in South-east Asia and the clouds of political upheavals which for a time had thrown their shadows across our path, have happily lifted and we are moving forward again. My delegation naturally welcomes, in this connection, the creation of the United Nations Organisation for industrial development in which we hope to participate to the full limits of our capacity.

Mr President, there are a variety of other problems that confront this session, and that require urgent solution. They include the financing of peace-keeping operations; the persistence of the evil, anachronistic policy of Apartheid in South Africa; the extension of apartheid into the mandated territory of South West Africa, a process by no means discouraged by the recent regrettable decision of the International Court of Justice relating to the territory; the denial of self-determination to the vast majority of the people of Rhodesia; the intransigent colonial policy of Portugal in Angola, Mozambique and other small territories in Africa and Asia; the movement for independence in South Arabia; and the denial of the inalienable rights of the people of Palestine. My Government's policies on these issues are well known and my delegation will have the opportunity at the appropriate time in this session to elaborate on them in detail.

I cannot, however, allow this occasion to pass without expressing the grave anxieties of my Government about recent developments in the affairs of Southern Africa and the increasing disappointment and disillusionment of the coloured nations and peoples at the apparent acquiscence of the Western countries in these developments. May I therefore address myself directly to the Western States concerned, and in particular the major powers, and most earnestly urge upon them the need for prompt and positive action to arrest this trend, which has the most dangerous implications

for the future of relations between the white and the coloured nations and peoples of the world.

May I also be permitted, Mr President, to speak a little on Rhodesia. My Government continues to regard with grave concern the Rhodesian situation and urges that effective steps be taken to bring to an early end the rebellious and illegal regime of Ian Smith. We cannot for one moment accept a situation which involves the suppression of the African majority by the white minority regime. Our policy on the Rhodesian situation has remained very clear and consistent. We firmly believe that this British colony of Rhodesia must not be granted independence before majority rule has been established on the basis of universal adult franchise, that is, one man one vote. The Smith regime in Rhodesia by seizing independence illegally has made it the duty of every member of the United Nations to see that this illegal regime is removed and replaced by a constitutional and democratic Government. The recent meeting of Commonwealth Prime Ministers has given a solemn and categorical warning to the Smith regime. If this warning is not heeded, we must urge that effective mandatory sanctions under chapter seven of the charter be applied firmly and vigorously so that the people of Rhodesia may be ensured their inalienable right to self-determination and independence.

I should like now to refer to an important matter that very closely concerns us in Malaysia and indeed all of South-east Asia—the continuing conflict in Vietnam in which many including our distinguished Secretary-General, U Thant, have seen the seeds of the Third World War. To us in South-east Asia, the Vietnam conflict poses a real and proximate threat to the peace, progress, safety and security of the whole region. We in Malaysia have on a number of occasions made it clear that we would like this conflict to be brought to an end as speedily as possible and that those directly involved should be helped to resolve their differences by peaceful negotiations across the conference table. Malaysia has taken and will continue to take every necessary and appropriate initiative open to it, on a comprehensive all-Asia basis to seek an Asian solution to the problem. It should be left to the parties involved to find a formula to solve their problems and our efforts should be directed solely to bringing them together, not to suggest, much less impose, a solution. We have always held the view in accordance with the charter that every country has a right to an independent existence without interference by any other country

in its territorial integrity or political independence. We can only hope that our efforts will succeed. I take this solemn occasion standing at this rostrum to invite all states, large and small, represented in this Assembly to give us their help in bringing the immediate parties to the conference table. An end must be brought and brought early, to this most unfortunate of conflicts so that the people of all Vietnam—North and South—may be relieved from the cruel realities of war from which they have continually suffered for more than two decades.

We are acutely conscious that the obstacles to the promotion of peace in Vietnam from within this Organisation are great and daunting. We cannot therefore but regret that it has not yet been possible for the co-chairmen of the Geneva Conference to convoke a conference so that a solution of the conflict can be sought and found, from without this Organisation, if necessary.

Before concluding may I, Mr President, be permitted to say a word about our distinguished Secretary-General. I do not wish to repeat what has been said from this rostrum and from outside about the absolute necessity of having him continue as Secretary-General at least in the immediate years ahead. My country both individually and collectively in common with other Asian States has joined in this process of persuasion and gentle pressure. I am not unmindful of the difficulties that he has fairly and legitimately set out in detail as standing in the way of his offering to continue to serve. May I not now invite him to consider that the states which have already urged their pleas to him include those that may be regarded as being directly or indirectly involved in these difficulties and by the very fact of their plea have manifested a moral commitment to a solution of these difficulties. In any event I read his letter of the 1st September as meaning no more than standing aside for the moment so that the Security Council may feel absolutely free in making its recommendations to this Assembly, unhampered by an embarrassment that might be felt by the Security Council should he offer to stay.

This is one matter in which with complete and rare unanimity this Assembly has expressed its wishes. U Thant, as we all well know, has rendered great and distinguished service to the cause of the United Nations and of world peace. Now more than ever in its history this Organisation needs him.

There are still many problems that beset this Organisation to which he has drawn attention. Let us urge every priority to these

problems and pledge ourselves to find solutions to them. With these words, I hope and trust U Thant will find it possible, in the interest of the Organisation and of international co-operation, to meet the wishes of all of us and agree to continue in office.

THE PEACE AGREEMENT

TURNING POINT IN HISTORY OF MALAYSIA AND INDONESIA

The signing of the Peace Agreement between Malaysia and Indonesia at Jakarta on 11th August, 1966, was described by Tun Abdul Razak as a turning point in the history of the struggle of the two countries to build and ensure their future destiny in Asia and the whole world. Below is the statement of Tun Razak after he had signed the agreement.

The people of Malaysia and, I believe the people of Indonesia, too, have been looking forward to the signing of this Agreement, desirous themselves that relations between the two countries should be restored to what they were before.

At the same time I should like to express my profound gratitude to the Government of Indonesia for the very warm reception given to my delegation on our arrival in Jakarta. Thanks to God, after going through a period of serious differences for three years today, the two neighbouring countries which have had close ties for centuries and have a common origin, have come to a mutual understanding to live in co-operation and assistance.

The Bangkok talks have brought about an understanding marking a significant step towards peace and friendship between the people of Malaysia and the people of Indonesia.

The Bangkok understanding represents a turning point in the history of the struggle of the people of Indonesia and the people of Malaysia to build and ensure their future destiny in Asia and the whole world.



The Indonesian Foreign Minister, Mr Adam Malik, inspecting the guard-of-honour on his arrival in Kuala Lumpur soon after the signing of the Peace Agreement in Jakarta. The Tun signed the Agreement for Malaysia. In the centre is Nazim, the Tun's fourth son.

The accord that was reached in Bangkok is in fact the result of the desire and the determination of the peoples of the two countries to achieve peace, friendship, brotherliness and happiness. They both were resolutely determined to overcome all past differences and obstacles and have given us the mandate to restore peace, resume friendship and achieve progress for Indonesia and Malaysia. They want peace and a new deal for a better life.

It is not war but peace that they want, friendship and not discord, construction and not destruction and progress and not retrogress.

I should like here to state with full conviction, on behalf of the Government and the people of Malaysia, that it is one of the main principles of our foreign policy to develop and maintain a spirit of co-operation and friendship in full between Indonesia and Malaysia.

We, in Malaysia, will spare no effort in seeking to make the friendship between Indonesia and Malaysia a reality and enduring. Far from being frightened by those elements who seek to impede our struggle to achieve peace and prosperity, Malaysia will not be deterred but will continue to be vigilant regarding the activities of those elements, and we believe that we will succeed because our aim is a lofty and pure one.

We from Malaysia offer our hand in friendship and brotherliness to the people of Indonesia because friendship and close co-operation between the two countries are of the utmost importance not only for the peoples of both countries but also for the peace and stability of the whole of South-east Asia.

The people of Malaysia welcome a neighbouring Indonesia that is strong and powerful in South-east Asia, an Indonesia that is prepared to live in peace and co-operation with her neighbours. Especially we very much like to see Indonesia become strong and progress in stability, using her tremendous human potential and rich natural resources in order to resist the threats to South-east Asia from the disruptive forces.

I would like to stress that Malaysia is determined to strive and co-operate in order to ensure our common destiny in South-east Asia and in the world. The nations of South-east Asia must co-operate and be sincere to one another, and we believe Indonesia

will be able to play an important role in achieving good co-operation and friendship among the countries in South-east Asia.

Today we witness the realisation of resumption of relations between two neighbourly countries. Both have thus demonstrated to the world how two countries in South-east Asia by displaying sincerity of desire can resolve their differences between themselves. I am convinced that this solution which has been reached directly will endure and will be an example to other countries in Asia how differences can be resolved if there is a sincere desire and the will to make up and be friends again.

The signing of the Agreement, as the Prime Minister, Tunku Abdul Rahman said following the Bangkok Accord, represents a victory for both Indonesia and Malaysia.

Malaysia views the ceremony today with great hopes that the co-operation and mutual understanding, which the peoples of Indonesia and of Malaysia have been looking forward to, will develop and grow in strength. Malaysia hopes that the Treaty of Friendship signed on 17th April, 1959, will be revived and fully implemented. Likewise Malaysia entertains the hope that Indonesian co-operation will be forthcoming in helping to eliminate the Communist elements existing in the border areas, for their continued presence may give rise to an unfavourable atmosphere between the two countries. This is a step which needs to be taken by both as soon as possible for the sake of peace and in order to maintain the friendship and brotherliness between the two countries.

The efforts of Indonesia and Malaysia aimed at establishing stability, progress and prosperity in South-east Asia, in general, and in Malaysia and Indonesia, in particular, will necessarily take a long time to achieve and in so doing meet all kinds of tests and obstacles. But I am confident that all these can be overcome.

On behalf of the Government and the people of Malaysia I would like to give the assurance that Malaysia will take all necessary steps fully determined to strengthen the co-operation and friendship between our two countries, Indonesia and Malaysia.

A SEED OF ACCORD

CONVICTION IN THE IDEALS OF ASA REMAINS UNDIMINISHED

At the conference of Foreign Ministers of Malaysia, Thailand and the Philippines, held in Bangkok on 3rd August, 1966, Tun Razak said, "In the depth of my heart I think of ASA as a seed of accord, a seed of accord in the modern world, where in spite of the United Nations Charter, there is still a lot of discord." The main points of his speech are:

Mr Chairman, it was in this capital city of Bangkok five years ago that ASA was first launched. Today, after a period of three years of almost complete inactivity, Foreign Ministers of ASA countries are gathered here again to revive and to reactivate ASA.

Despite the temporary setback, I am pleased to see that our belief and conviction in the ideals, which inspired our three countries to form ASA, have not in any way diminished. On the contrary all the leaders of our three countries are more convinced than ever of the compelling need and urgency to strengthen ASA: to strengthen the concept of goodwill, friendship and co-operation among our three countries for peace, stability and progress, not only of our respective countries and people, but of this region of Southeast Asia.

Mr Chairman, our meeting here today is of great significance. The eyes of the world are now focused on this region of Asia and are focused on us today to see whether this, our concept of regional co-operation, will have any meaning and will become a reality. We have therefore a duty not only to our people and our respective countries, but also to the freedom-loving and peace-loving countries of the world to demonstrate clearly that ASA is a reality and that we here are determined that the activities of ASA will grow and expand and will give tangible results for all our people to see.

We have also a duty to show to our neighbours and the world that ASA is not directed against any nation or any ideology. As I said at the meeting of the Working Committee of ASA in Kuala Lumpur last April, ASA is not a power bloc. ASA stands for a common desire to strengthen goodwill, understanding and friendship among our peoples. ASA is an attempt to form a peaceful

bloc, powerful in goodwill, powerful in mutual understanding and in determination to enhance the welfare of our people. We are not against anyone, we are pro ourselves, we are pro peace, stability and progress of our region.

Mr Chairman, five years ago, we declared in clear terms the ideals and the spirit behind ASA in the Bangkok declaration. The ideals and the spirit of ASA mean one thing, and one thing only, and that is, we, the three countries in ASA, are determined to work together to progress and develop together, both economically and culturally, to ensure that our people, the Thais, the Filipinos and the Malaysians, will have a better way of life and a happier and fuller life so that we can take our rightful place as freedom loving people and as citizens of free sovereign nations. It is now the duty of all of us to turn these ideals into actions, into concrete proposals and projects. It is our duty to turn our words into deeds, to show that ASA does have a real meaning, a real place in the hearts and the minds of our people.

Mr Chairman, this region of Southeast Asia is one of the world's richest areas in terms of natural resources and economic potential. Through our own efforts, with a dynamic approach and imaginative planning and with determined efforts to implement plans into action, we can husband these resources and give our people that happiness and prosperity that they so much desire. Since the reactivation of ASA with the meeting of the Standing Committee on March 2nd, 1966, after a lapse of three years, events for ASA have been moving fast indeed. The Standing Committee have met three times and the third meeting of the Joint Working Party was held in Kuala Lumpur on April 27th this year.

Mr Chairman, we have therefore before us a comprehensive review of the progress of ASA, recommendations on future action, programme of projects and priorities. The time has therefore come for us all to implement these recommendations, to begin action immediately to turn these recommendations into concrete results. I have no doubt that to do these require all the efforts and energies that our three countries can put into them. I am aware of the magnitude of the task confronting us. But with determination and a sense of purpose, I have no doubt we can produce the results, not only for our people to see, but for the world to see.

Mr Chairman, Southeast Asia today is still one of the most turbulent areas of the world. The human tragedy in Vietnam with

the danger of a possible direct confrontation between the major powers poses the greatest threat to world peace and security. But there are also encouraging signs—there is a new resurgence of the Asian identity and the recognition of the need to solve Asian problems in the Asian way without interference from outside powers. There is now a more encouraging trend with a greater willingness and an awareness among countries of this region of the need and value of regional co-operation for mutual benefit and advancement.

The formation of the Asian Development Bank, the Ministerial Conference of Southeast Asian Development in Tokyo and the Ministerial Conference for Asian and Pacific Co-operation are indicative of the prevailing mood and the acceptance of the idea of regional co-operation.

As we gather here today, we are conscious that our brothers in South East Asia are watching us. The objectives of ASA are positive and clear and it is my sincere hope that they will be convinced of our sincerity of purpose and of our determination to achieve these objectives. In this connection, my delegation considers it important that the third meeting of ASA Foreign Ministers should produce some results from those projects recommended by the Joint Working Party for priority implementation. It is the view of my delegation that some of the recommended projects, especially those in the economic field, such as telecommunications, ASA shipping line, the agreement on commerce and navigation, tourism and joint regional projects eligible for external financial assistance, should be immediately approved and implemented. It is, therefore, my earnest hope that out of this conference will emerge some positive and concrete projects which will bring benefits to all our peoples.

ASA, ladies and gentlemen, by coincidence in the three languages of the member countries, means hope, symbolising the natural aspirations of our people for economic advancement and for a better standard of living, for freedom and justice, we have a tremendous hope in the success of ASA. But as I said to the Joint Working Party in Kuala Lumpur in April last, in the depth of my heart I think of ASA as a seed of accord, a seed of accord in the modern world, where in spite of the United Nations Charter, there is still a lot of discord.

Mr Chairman, ASA signifies the hope of our people; signifies the accord in the hearts and minds of our people. If we, as members

of ASA, are loyal and persistent in our task in endeavouring to fulfil this hope and to cultivate this seed of accord, then there is no reason why our success should not be rewarded by the growth of a tree, the branches of which will stretch in brotherhood to other nations in this area. And with the frontier of ASA, this frontier of faith and hope among fellow freedom loving nations in this region of Asia we will show, in time to come, that Southeast Asia is an example to the world, of progress, of mutual understanding and of peaceful co-operation.

We have made our decision, we have charted our course, let us, therefore, march forward resolutely with unyielding fervour and drive towards our ultimate goal.

THE PROGRESS OF JAPAN

A REAL EXAMPLE TO THE PEOPLE OF SOUTHEAST ASIA

Tun Abdul Razak paid a glowing tribute to Japan for the guiding example she has set for other countries of Southeast Asia. He was speaking at the Ministerial Conference on Economic Development in Tokyo on 12th April, 1966. Parts of his speech are reproduced here.

Mr Prime Minister, this morning you have given a most instructive picture of the need for progress and development in Asia and South East Asia. We have great admiration for the manner in which you and your colleagues as well as the people of Japan had successfully tackled the many economic and social problems in your country—problems which in many ways are similar to those in developing countries in South East Asia.

Japan has developed so rapidly in the last decade that not only has she the knowhow but also the resources, both human and financial, to share with other countries in this region. This is, indeed, a matter of great satisfaction.

The rapid rate of progress and the outstanding recovery that Japan has made from the ravages of the second world war constitutes a real example to the people in South East Asia.

The skills, hard work, sweat and sacrifice which the people of Japan have made in nation building are guiding examples for other countries to follow.

We from other countries in the region can learn much from Japan's knowledge, skill and experience in solving economic and social development problems. We can also learn a great deal from the remarkable progress made and the success that the people of Japan has achieved in dealing with the problems or raising the standard of living of the densely populated country and in creating dynamic industrial economy despite the lack of space and natural resources.

We in Malaysia as a developing nation strongly believe in the importance of having a realistic and comprehensive development plan and in carrying out such plan successfully in order to give our people a new deal, a better and higher standard of living and a fair and just society.

That is why, Mr Prime Minister, we share your view and that of your Government that in carrying out economic development countries in this region should work in closer co-operation. We share your view that in the field of economic and social progress nations are interdependent and in order to achieve real progress in economic development countries must work together for mutual benefit.

In this somewhat disturbed and divided world in which we live—a world beset with fears and threats of aggression—all free nations must recognise that the interests of one is dependent on the other and that in economic and social development we must work together and move forward as partners.

No nation can live in isolation and my delegation and I sincerely hope that countries in South East Asia and indeed in other parts of the world will give concrete expression in promoting co-operation not only in the fields of economic development trade and industry but also in the sphere of political diplomacy which often transcends and overrides all other considerations.

While respecting each other's independence and sovereignty and each other's right to choose its own way of life and system of Government we should promote the closest co-operation as suggested by you, Mr Prime Minister, for the well-being of our respective peoples and the peace and progress of this region.

Mr Prime Minister, the fact that there are delegates present here from so many countries today in response to your Government's invitation is clear evidence of the determination of the Governments of countries in this region to work together in the field of economic and social development for the benefit of our

respective peoples. We are determined to work together and make this region of South East Asia a better and happier place for all of us to live.

Mr Prime Minister, your Government has given the lead in promoting and expanding the frontiers of co-operation among countries and regions. I am confident that this lead will be followed up and that as a result of the deliberations of this conference the countries in South East Asia will move closer together in the field of economic and social development in order to bring greater happiness and prosperity to our people in South East Asia. Thank you.

VISIT OF THAI PREMIER IS OF "GREAT SIGNIFICANCE"

"The close and cordial relations between our two countries have been sustained and refreshed by constant exchanges of visits, not only by our leaders but also by the people of our two countries—people from all walks of life" said the Tun in a speech to welcome Field Marshal Tun Thanom Kittikachorn, the Prime Minister of Thailand on May 23, 1966.

Your Excellency, it always gives my colleagues and me, and indeed all the people of Malaysia, the greatest pleasure to welcome you or any of your colleagues to our country. Your visit here at this time is indeed of great significance in view of recent developments in this region of Southeast Asia. As you know, Your Excellency, President Marcos of the Philippines has announced his intention to normalise relations with Malaysia, and it has been possible for us to revive and reactivate ASA, a concept of regional co-operation which is dear to both our countries. Also, the new Indonesian Government has expressed its wish to bring an end to Indonesia's confrontation against Malaysia, and has agreed to discuss with us ways and means of doing this. We, on our part, have of course readily responded, and it is expected that a meeting between the Indonesian Foreign Minister and myself will take place in the very near future.

We in Malaysia hope and pray that, with the assistance and co-operation of Thailand and other friendly countries in Asia, it will be possible to bring a speedy end to this confrontation, and

that Indonesia and Malaysia will be able to work together in friendship and co-operation, for the progress and happiness of our respective peoples, and also for peace in this region.

Thailand and Malaysia have always maintained the closest and most cordial relations and we here have a real and genuine affection and regard for you and your colleagues. I have no doubt that, under Your Excellency's wise leadership, ably supported by your distinguished colleagues, your great country, Thailand, will continue to progress and prosper, and that the close and friendly ties between our two countries will be further sustained and strengthened.

I cannot stress too strongly how close the ties are between our two countries. Thailand has remained Malaysia's staunchest, and most loyal friend and neighbour for many years in the past. Whatever stress or strain there might have been in international relations in this part of the world, Thailand has always been willing, and ready, to help Malaysia, in any way she could, and at any time. To quote one obvious instance: During the last few years, there have been strained relations between us and Indonesia, and to some extent, between us and the Philippines. Thailand has, in this time, endeavoured, to bring us back together—to bring to an end Indonesia's confrontation against us, and to have normal diplomatic relations re-established between us and the Philippines.

Your able and distinguished Foreign Minister, Tun Thanat Khoman, with his undoubted wisdom and great diplomacy, successfully brought Indonesia and Malaysia together to the conference table to settle their differences. This he did in the face of overwhelming difficulties; and the great restraint he exercised in doing so was obvious to all. Although some of the meetings, regretfully, did not end in agreement, your Foreign Minister showed that he was prepared to go to any extent, with patience and endeavour, to assist friendly countries, and to bring peace to this region.

Your great country and ours share the same ideals and aspirations. We believe in international co-operation and peace among nations, respecting each other's independence, sovereignty and territorial integrity. That is how our two countries came to be founder members of ASA—an outstanding example of regional co-operation that is now beginning to show results. Our two countries, as neighbours, are working closely together in meeting Communist aggression and subversion, particularly at our common border.

The Joint Border Committee, which our two Governments have set up, has done much in our efforts to control, and eliminate, Communist terrorism in our border areas. Our two countries, believing in peace and co-operation among nations, have never hesitated to play their part in the defence of freedom, and in the cause of world peace. It is our common aim to create political and economic stability in our respective countries, so as to counter the corrosive threat of Communist subversion and infiltration. In this field we are assisting each other in a number of ways. We, on our part, are always willing, within the limits of our ability, to extend assistance to you, in your great effort to wipe out Communist elements in your country, with the experience that we have gained through our twelve-year war against Communist terrorism. Our two countries are fully aware of the danger that the subversion and infiltration of militant Communism poses to our independence and sovereignty; and it is our determination to do everything possible to defend our independence, and our integrity, and to see that peace is maintained in this region of Southeast Asia.

Your Excellency, your great people and our people co-operate closely not only in the political, economic, social and cultural fields, but also in the field of sport, particularly golf. I see you have with you Tan Sri Thitinat Na Ranong, your former Ambassador to our country, who, besides being an able representative of your great country, has also been golfing partner to our Prime Minister. I have to say that, since he left us, our Tunku's game of golf has gone down very much, and instead of a handicap of 21, he now has a handicap of 24. So you can see, Your Excellency, how much we in Malaysia depend on you, your help, your assistance, your understanding and co-operation, even in golf!

Once again, Your Excellency, I do hope that you, Toh Puan Kittikachorn, and all your colleagues, will enjoy your short stay with us; and I would like to assure you that you, and every one of your colleagues, are always welcome to Malaysia at any time. Our homes and our hearts will always remain open for you, your colleagues and people of your great country.

Now, Your Excellencies, Ladies and Gentlemen, I ask you to rise and join me, in a toast to His Excellency Tun Thanom Kittikachorn, Prime Minister of Thailand, and to wish him good health and success in his great and high office.

POLITICAL SPEECHES

THEY HELP THEMSELVES



Traditional spirit of co-operation (Gotong Royong) prevails—along a 6-mile kampong road to connect Kampong Lukut and Simpang Makam, in Kota Tinggi District. It was built by villagers with materials consisting $33,000 supplied by the Government.

OPERATION "GOOD CITIZEN"

WHAT IS TRUE LIBERTY?

Tun Razak at an Alliance Rally at the Dewan Tunku Abdul Rahman, Kuala Lumpur, on 23rd July, 1967, called for higher principles and deeper motives for the citizens of Malaysia to forge ahead and make the country a really prosperous nation. Parts of his speech follow—

Mr Chairman, Ladies and Gentlemen,

It was the declared policy of the Alliance Government, when we attained Independence, to set about with vigour and determination on the task of developing our country, the task of building a sound economic infra-structure with all the essentials for future growth and prosperity by building better schools with a better educational system; by building better hospitals and clinics with a more efficient health service; by building better roads and opening up new land for greater output and greater prosperity; and also implementing many hundreds of other projects, too numerous to mention. They are all essential to enable Malaysia to prosper.

We must also make these achievements *secure,* we must *consolidate* our gains and protect them from destruction, if we are to ensure that Malaysia will further progress in the next ten years. We therefore, must let no one attempt to destroy the firm foundation, the firm rock of our development base which, with our own labours and our own resources, we have already firmly established.

These achievements can be destroyed *over-night* by irresponsible action on the part of a selfish minority who by their illegal actions and their resorting to irresponsible and undemocratic methods, and Communist tactics, can lower our status, can lower our standing and our reputation throughout the world, and turn away from Malaysia the fine prospect of prosperity which already lies so clearly ahead of us!

This irresponsible minority who are definitely disloyal to Malaysia also provide a fertile area within our shores on which

the seeds of subversion can thrive and thus threaten our sovereignty and our security which we have been at pains for the last ten years to make absolutely safe from both internal and external aggression.

Independence means liberty, and there is an abundance of liberty both in our Constitution and in our country, but these minorities of unruly people do not understand the meaning of liberty; "Liberty is the right to do what the laws *allow:* and if a citizen can do what the laws *forbid*, then there will be no longer liberty because all others will have the same powers to break the laws; in other words, free will is not the liberty to do whatever one likes, but the power of choice to do what is *right* and what ought to be done for the benefit of our nation".

When we talk about good citizenship and when we mention this word, it does not imply that we are in any way disputing the loyalty of our people—the loyalty of the Chinese, the Malays and the Indians who are true Malaysians.

What in fact is the motivation behind each and everyone's individual life here in Malaysia? Apart from the obvious motives of keeping ourselves alive, providing for ourselves and our children and our grand-children, and trying to be successful in our own particular walk of life, there must be deeper motives and higher principles if we, as citizens of Malaysia, are going to forge ahead and make Malaysia, the Malaysia of the future, into a really prosperous nation!

As I see it, the basic essential is first on the part of all of us to acquire a *spirit of dedication*, to the principles for which our country stands; dedication to the democratic way of life which we practice, and *dedication to the development* of our country.

The second essential is to have both the *determination and courage* to stand by everything *we know* to be right for the benefit of our country; in other words, the courage to choose what we know in our hearts is right and to stand by it through thick and thin, and in no way allow ourselves to be influenced by irresponsible subversive elements.

The third essential of a good citizen is to be honest not only with himself, but in all his dealings with his *fellow citizens*, because the *only substitute* for honesty is corruption. Nations have fallen apart and disintegrated in which honest policies did not exist and corruption took the place of honesty.

By corruption, I do not only mean corruption in the practice of government. After all, it is a corrupt public who are really responsible for the corruption of potentially dishonest government servants. Unless we build up a clean and pure public consisting of really honest citizens, there will always be the danger of the nation becoming corrupt as a whole.

Therefore, it is the *duty* of every good citizen to *practice honesty* in his daily life, and so acquire the *quality of integrity*. Then we will have built up a nation which can add to its other many good qualities—the quality of national *integrity!*

The next essential which is of vital importance to us in Malaysia, and this is perhaps the most important quality required to be practised by our present-day citizens—the quality of tolerance, the ability for each and every one of us, irrespective of our racial origin to live in harmony each with one another—because without harmony there will be no unity, without unity there will be no progress, and without progress there will be no prosperity!

Let us determine, therefore, to be good and tolerant citizens, and achieve this harmony and unity which deep in our hearts we all so ardently desire.

True citizenship must come *from within*, from the *motivation* of our own hearts!

Tun Tan Siew Sin mentioned the National Flag and the National Anthem. Let us go back in history to the origin of flags.

Hundreds of years ago, the "Flag" or "Standard" was the rallying point in the battle-field for soldiers to rally, unite, and fight!

Our National Flag is our *rallying* point for unity, not to fight wars, and not to be aggressive in battle; but it is the rallying point to fight for unity, for harmony, for development, and to win the battle for progress and prosperity, united together with one aim and one purpose—the purpose of making a better Malaysia!

And the National Anthem, like our Flag, is a *similar symbol* of unity, the only difference being it is in words and music, but it is nevertheless symbolic of our unity. Let us respect both our flag and our anthem and always remember the national significance of both!

Let us hope, therefore, that this Operation "Good Citizen" will set us thinking, and when every citizen stands before our Flag

or for our National Anthem, he will be able to say, "Malaysia *first* and self *second;* Malaysia is part of me because I am part of Malaysia!"

MALAYSIA—A HORIZON OF HOPE

"TIME FOR SINCERE AND HONEST LOYALTY"

Tun Razak broadcast over Radio Malaysia, Sabah, on 10th September, 1965, assuring the people of East Malaysia of the concern of the Central Government for their development and prosperity and its clear understanding of the problems that beset the peoples of Sabah and Sarawak.

There is no change in the concept and position of Malaysia. Malaysia still exists. Malaysia is still a horizon of hope and prosperity.

Doubts in the minds of the people of Sabah—doubts about the future of Malaysia and doubts whether Malaysia is still a viable and independent nation were born from false rumours, from trouble-makers and from other people who for their own personal gain tried to "crash-in" on the crisis which they thought had been created by the separation of Singapore.

In reality the feeling of the great majority of the people of Sabah is that they not only stand by Malaysia and the concept of Malaysia but also—since the separation of Singapore—have renewed and redoubled their support and are determined as all true Malaysians are to be united and together to move forward towards the creation of a happier and more prosperous Malaysia.

Political opportunists who can in no way be regarded as loyal to our country, could—if they persist in trying to mislead our people—destroy the harmony of our unity. They are not only working against the true interests of Malaysia but, knowingly or otherwise, actually helping our enemies.

The Central Government is convinced that a time of national crisis, such as we are now passing through is not a time for politicking. It is not a time for personal political gain; it is not even a time when we should think of ourselves. This is a time for sincere and honest loyalty. This is a time to unite and in uniting to understand, and in understanding, to make sure that

all those with whom we come into daily contact—whether they are in urban areas or in remote villages—also understand the true position.

If Singapore had remained in Malaysia with tempers high and with feelings and jealousy increasing in tempo from day to day—the result would have been detrimental to the future of Malaysia and to the concept which is the very foundation of Malaysia—the concept of communal harmony—This would have been lost for ever. As it is, Singapore and Malaysia were like a couple of Siamese twins and after the delicate but successful operation of separation both these twins are now standing on their feet and beginning to walk together towards a more prosperous and certainly a happier future.

There is one doubt I would like clearly to dispel and that is that for Sabah and Sarawak Malaysia means government and control by the Central Government in Kuala Lumpur. This is not so. We are—as every one knows—a federation of States or indeed it would be more true to say a partnership, the coming together of individual states each with its own State Government running and administering its own area and at the centre a Federal Government composed of representatives of all the constituent States whose task is not to direct with dictatorial control but rather to co-operate, co-ordinate and give the maximum help to each individual State within the Federation.

The first and foremost aim of the Central Government is to do everything possible towards the development and benefit of the peoples of Sabah and Sarawak. Next year, 1966, we launch the First Malaysia Five-Year Plan which is a blue-print for progress and is a plan of action for improvement of the standard of living and way of life of all Malaysians and I can assure you that this plan is designed for the best benefits we can give to the people of Sabah and Sarawak within the bounds of our budget.

The essential of sound development apart from funds is not only to have a good practical economic development plan but also to have the technical, professional and administrative ability to implement that plan.

With the setting up of Malaysia and the working out of the practical mechanics of the relationship between the Central Government and the Governments of Sabah and Sarawak there have been what I might call administrative teething troubles. From time to time there have been delays in communications and this

has resulted in occasional frustration both in State Headquarters and at Federal Headquarters in Kuala Lumpur.

There has however been a steady improvement in the administrative machinery. In fact, there will be even greater improvement, greater co-ordination and greater co-operation, I propose sometime later this year to hold either in Jesselton or Kuching or perhaps in Kuala Lumpur a Malaysian Government Seminar lasting several days.

At this seminar each one of us who has the responsibility of administering the Government will be able to meet and discuss with our counterparts any problems we may have connected with our work and to discuss, suggest and devise ways and means whereby we can speed up and streamline the whole machinery of Government.

We shall place particular emphasis on the development programme machinery so that the people of Sabah and Sarawak—no matter whether they live in urban areas or in remote rural areas—will get the best service and the quickest service.

SEPARATION OF SINGAPORE

ANNOUNCEMENT WAS TIMED TO PROTECT THE COUNTRY'S SECURITY

The reason for the dramatic announcement of the separation of Singapore from Malaysia was given by Tun Razak when he addressed the University of Malaya Graduates Society at the Arts Lecture Theatre, Pantai Valley, Kuala Lumpur on 1st September, 1965. In the accompanying speech he explains that the decision was made and announced in such a manner as to protect the sovereignty and security of the country in a time of national crisis.

The last few weeks have been a momentous period in the history of our nation.

It has also been a sad period, with the withdrawal of Singapore from Malaysia; but nevertheless, we must not be despondent. It is my belief that provided both Singapore and Malaysia maintain a harmonious and co-operative relationship in defence, trade and our respective national economies, then the people of both nations will benefit and go forward to a brighter and better future.

After the decision was made that Singapore should leave Malaysia, my Government was accused of lack of consultation leading up to the reaching of the decision.

But it must be remembered, and sometimes here in Kuala Lumpur far away from the fighting on the borders of Sabah and Sarawak, it is forgotten that we are in the midst of an Emergency—an Emergency in which our very sovereignty and independence is threatened by external aggression.

The first essential to win through this battle of Confrontation is internal national unity. We must put ourselves above thoughts of personal power and selfish aims so that we are strong within the shores of our young nation. Therefore, under the circumstances of this Emergency, events leading up to the separation of Singapore, were kept as secure and secret as possible.

A decision made by a select few top leaders is not undemocratic if in fact such a decision is designed for the definite good of the nation's citizens, designed to protect the sovereignty and security of the country during a period of national crisis.

Some diplomats were upset that their countries had no part and were not consulted before we made this momentous decision. Although we ask our friends in the free world to help us in Defence and in Development, we are an independent sovereign nation, determining our own future and in coming to this major decision we take full responsibility. We had to bear uppermost in our minds the interests and well-being of our people and our country and we cannot now be accused, even with the greatest stretch of the imagination, of being neo-colonialist puppets.

With regard to the question of Singapore, consultation was confined to the minimum number of people so that false rumours and despondent speculation would not be given the chance to lower our national morale.

Some say that this action was undemocratic but if you read the history of democracy in the free world you will find that other nations before us in similar states of Emergency and national crisis have used exactly the same technique, in the interests of the nation's security.

The majority of major decisions during World War II by a great democratic leader like Churchill were in fact made, in close conclave, by Churchill and his own few selected Ministers. Similar cases can be quoted relating to the wartime President of the United States and other democratic leaders in times of national crisis.

It is in fact easy, as a democratic leader, to shirk one's responsibility and spread it by greater consultation because the responsibility to decide also carries with it the responsibility of the consequences; but in a Democracy it takes a big man to make big decisions and then take entire responsibility on his own shoulders.

Such shoulders must be strong and firm and Tunku, our Prime Minister, although too old to practise body-building, has nevertheless got the strongest set of shoulders of any democratic leader in the free world and will use his shoulders to take the burden of responsibility of any decision that is for the benefit of his country, his beloved Malaysia and the people to whom he has devoted his entire life to serve and serve well!

Let us not regard the separation of Singapore from Malaysia as the two components of an unhappy marriage who, after being divorced, have recriminations, and each fight for the maximum alimony or compensation for their own support, after the breaking of their life together!

No, let us regard the separation of Singapore from Malaysia as similar to the separation of two "Siamese twins"! The separation of two children born together as one body in the womb of Malaysia.

The operation of separating "Siamese twins" is delicate and intricate and is a great feat of modern science in this modern world. One has got to think of the nerve system, of the bloodstream, of the bones and everything else by which they are joined!

But modern science can now successfully separate two "Siamese twins" so that they can walk independently, act independently and prosper independently. And yet throughout the world you will find in every case of the separation of Siamese twins there remains a mental bond between them, after their purely physical separation.

They are still brother and sister, or still sister and sister and have an instinctive bond which is stronger and deeper than the skin which originally joined them together!

This is how I like to think of Singapore because although there have been differences, there is still a bond that unites us in our differences, and there is no reason whatsoever why we should not walk forward, firmly, together towards the future and progress in harmony and in goodwill like a couple of separated twins!

Since the separation of Singapore from Malaysia the horizon of our hopes for the success of Malaysia are in no way clouded! No!

In fact the clouds and doubts have dispersed and have revealed a new un-darkened dawn, a new determination, and a new decade in our Development; all pointing the way towards an even brighter future for Malaysia, and for Singapore and her people, as sister shareholders in our future security and our pre-planned prosperity—partners in peace, prosperity and protection from aggression!

In this spirit, and in this spirit alone, will the peace and prosperity of our part of South East Asia be secure for centuries to come.

The separation of Singapore from Malaysia and the silence of the announcement had naturally produced anxiety and uneasiness in the minds of certain sections of our people including those in Sabah and Sarawak. It is hoped that these anxieties and disappointments will soon die away as the two countries, Malaysia and Singapore settle down under the new set-up and with the removal of tension and strain there will emerge closer understanding and co-operation between the two countries for the mutual benefit of our respective people. As regards Sabah and Sarawak, we have firmly assured the people of the two territories that we are determined to stand by them through thick and thin. They joined Malaysia out of their own free will and have fitted well with the other States of Malaysia. We shall do all we can to help them in their developments. They need our help and our assistance and we shall do our best to fulfil their needs.

What of the future of Malaysia? I sincerely believe that we have a great future, and that the potential of our future progress

is almost unlimited; but there are certain conditions which must be fulfilled if we are to progress in the way which we all, as sincere Malaysians, earnestly desire.

The main condition is unity—racial unity, unity in our attitudes, unity in our loyalty and unity in our determination to make Malaysia maju. But you must remember that there are in our midst, political opportunists who will always try to disrupt this unity!

Opportunists who, with an eye on the main chances of obtaining personal political power to the detriment of Malaysia, will mislead us, and our people.

I do not think that you, my audience tonight, all fully-fledged graduates, launched into life with the benefit of a first-class education are likely to be misled by these opportunists; but, as members of a new nation, you must remember that there are many layers of our social structure, ranging from the sophisticated graduate to the uneducated labourer.

Tonight, I talk to graduates; tomorrow, I may be talking to an adult education class of good genuine Malaysians who have been denied, because of our colonial heritage, the benefits of a first-class education but nevertheless are determined, even later in life, to learn to read and write.

Communism and political propaganda thrive on illiteracy, whereas Democarcy thrives on an intelligent electorate,—a nation of voters free to think for themselves and decide for themselves the type of Government by which they wish to be governed.

Political opportunists such as the Communist-influenced leaders of the Sarawak United Peoples' Party and other extremist parties are making use, not only of Confrontation and our national emergency but are also making use of that proportion of electorate who are misled by sweet words and poisoned propaganda!

Let me explain what I mean. Really, to understand what I am trying to say, I should like you all, if you have not already been there, to go and see our National Zoo; because in that Zoo is the finest education, not entirely an education of wild life, but also an education on "political wild life" as practised by opportunists.

These poor animals which previously roamed the jungle, with freedom of will, freedom of action, and freedom of voice, lost

their freedom because they were trapped by sweet words, sweet food and tit-bits from the animal "menu"! Then having been lured by these nice things, the door of the trap is closed, and for the rest of their lives they live in complete captivity.

So it is, with subversives, ultra-socialists and Communist opportunists. They use the same methods.

Their technique is exactly the same as the Game Warden, catching his game, both big animals and small, to lead them into captivity!

Nice words, slick slogans, and fiery speeches is all that these political opportunists can offer but, so many of our people are misled and caught politically; the same as animals in the jungle; they fall for these nice words and promises, forgetting that after falling for the bait of Communism and the bait of political opportunists, they too, like the animals in the Zoo, will spend the rest of their lives either behind a bamboo curtain or a permanent iron curtain!—suffering under the yoke of drab socialism with no more freedom, no more opportunities to express themselves and their individuality.

It will take time—even with the maximum funds we, as a nation, can afford for education and—even with the most progressive education programme we can plan and implement.

It will take time to produce the real basis of a sound Democracy—an electorate which can reason and think for itself,—an electorate which is immune to the distortions of disruptive political opportunists!

Therefore, and I would like to make this absolutely clear, we are, at this moment of national crisis, defending our sovereignty on two fronts. On an external front of physical aggression by Soekarno, and on an internal front of subtle subversion by those within our shores who are disloyal to the concept of Malaysia and who are determined to undermine our concept of Parliamentary Democracy.

You, as graduates, are not expected to take up arms and fight like troops in the jungle, but you have an equally important part to play in the battle for our sovereignty and independence. You have a part in applying your professional ability to the task of

nation-building, but you also have an even greater part to play in your own human contacts, from day to day, in spreading the right spirit of Malaysia, the spirit of sensible stability which will make all of us immune from subversion from within.

Dictatorial regimes like that of Indonesia and others, pride themselves of having the finest propaganda machine available to back-stop the criminal, aggressive actions of their leaders.

Their propaganda, they think, penetrates the hearts and minds of our people and they hope, eventually Malaysia will collapse from inside!

This is not true; this is not possible; and, with the grace of God, will never be possible, because we here in Malaysia have a propaganda machine which, by the law of human nature,—and time will tell—will completely outpace the propaganda of Indonesia or any other Communist puppets. Our propaganda machine is not mechanical, is not the blare of radio, of television, of films—that is publicity, not propaganda.

Our strength lies in the hearts and minds of our own people, passing from word to mouth, their own inward conviction that we are proud to be Malaysians, proud to live in a free world, proud to progress and use our own abilities to the best of our knowledge, proud, above all, to be free and democratic!

This is our democratic propaganda—a human machine—greater than any machine invented by man!

Democratic propaganda lies in the sincerity of saying what you believe whereas the propaganda of subversion and Communism lies in the mistaken ability of believing what is said to you.

And this, Ladies and Gentlemen, tonight is my message to you and also to all right-thinking Malaysians.

Let us forget, in this time of crisis, our political aims, our personal aims, and our personal ambitions, and let us resolve here and now to spread the true spirit of Malaysia. When the time comes that we have overcome the crisis of Confrontation, and the difficulties which now beset us, and I know we will, then, and only then, we can revert to the normal lives of thinking of ourselves and our own future, because our future is intricately tied up with the future of Malaysia. If we are disloyal to Malaysia, we are in fact being disloyal to ourselves!

THE TURNING POINT IN THE HISTORY OF THIS COUNTRY

In a broadcast to the nation on the Twentieth Anniversary of the United Malay National Organisation, Tun Razak traced the birth and growth of the UMNO and spoke of its varied achievements. He then emphasised the main function of the Party. His speech is given below.

TOMORROW THE UNITED MALAY NATIONAL ORGANISATION, better known as UMNO, will be 20 years old. The day also marks the 15th year of Tengku's undisputed leadership of UMNO. In Asia where democracy lives perilously and is often shortlived, UMNO, a partner of the Alliance Party that has been ruling this country peacefully since 1955, is indeed quite old.

UMNO's birth can be said to be in a way accidental. In 1946 the British Government forced upon the Malays the Malayan Union which virtually meant that the Malay States instead of remaining as protected States became colonies. The various Malay associations, political and otherwise, decided to hold a Congress at the Sultan Suleiman Club in Kuala Lumpur on March, 1, 2 and 4. This Congress decided not only to oppose the Malayan Union by every constitutional means possible but also to form a permanent organisation which later become the UMNO.

Before the birth of UMNO the Malays were as divided as were the various States of Malaya. Faced with the danger to their survival the Malays found National Unity as never before in their history under the leadership of the late Dato' Onn bin Ja'afar. They fought and won the battle against the Malayan Union.

The UMNO then grew in strength and prestige. In 1948 through the initiative of UMNO, the Federation of Malaya Constitution came into being. This was the result of UMNO's victory. Dato' Onn found himself out of step with the ordinary members of UMNO and decided in 1951 to leave UMNO and form a new party to be known as the Independence of Malaya Party (IMP). It was a matter for decision at that time whether without Dato' Onn, UMNO should continue or dissolve itself.

A few leaders of UMNO at the time (I was then the leader of the UMNO Youth and a Vice-President of UMNO) were strongly

of the view that UMNO must go on as the National Party that had united the Malays.

As Dato' Onn had decided to give up the presidentship of UMNO we had to look for a new man to take his place. The Tunku, who was one of the founder members of UMNO, had left the party because of differences with Dato' Onn, and was at the time working in the Legal Department in Kuala Lumpur.

I had known the Tunku during our student days in England. He is a man of deep sincerity and integrity with a great strength of character. We, therefore, decided to persuade the Tunku to take up the leadership of UMNO. The Tunku agreed to do so and immediately resigned from his Government job to become full time president of the organisation.

The change in the leadership of the organisation, the UMNO, was really the turning point in the history of this country. Under the Tunku's leadership UMNO grew into a strong and dynamic political party enjoying massive support of the Malays. The slogan of UMNO was changed from 'Hidup Melayu' which means 'Long live the Malays' to 'Merdeka' or 'Independence'.

As a far-sighted leader the Tunku realised soon enough that to achieve independence for Malaya, UMNO must have the support of the other races. As a result the Tunku together with the late Tun Tan Cheng Lock and other leaders formed the Alliance of UMNO, MCA and MIC. This Alliance won nearly all the elections at Town Council and Municipal levels in 1952-1954.

The British Government realising the strength of the Alliance Party agreed to allow the first general election at national level in Malaya as demanded by UMNO to be held in 1955.

In the 1955 General Election the Alliance won 51 out of the 52 seats. The other seat went to the PMIP. Dato Onn's Party Negara (he had changed his Independence of Malaya Party into a completely communal party, Party Negara) did not win a single seat nor did the other opposition parties, except the PMIP. With such a resounding victory by the Alliance at the national level, the British Government could not resist giving Malaya Independence, and at the independence talks in London in January, 1956, Britain agreed to grant Merdeka to Malaya in August, 1957.

Since independence the Alliance Government has not only governed the country efficiently with fairness and justice to all, but it was also able to end the Emergency in July 1960 just under two years after Independence. Also the Alliance Government was able to pursue a liberal economic policy resulting in economic growth and development not only in the towns but also in the rural areas. The Alliance also, through its policy of racial harmony and goodwill laid a strong foundation for unity among our people of various races.

In September, 1963, we decided to establish Malaysia by bringing Singapore, Sabah and Sarawak into the Federation. However, unfortunately in August, 1965, Singapore seceded. In all these epoch-making changes during the last 20 years in Malaya and Malaysia, UMNO played a leading role.

UMNO together with MCA, and MIC, formed the Alliance Party and together with other patriotic organisations, rallied the people of all races behind the Government to fight Indonesian confrontation.

The UMNO, under Tunku's leadership, has always followed a liberal and realistic policy of patriotism. goodwill and friendship and tolerance to other races who have made Malaya and Malaysia their home. It was this realistic and liberal policy that enabled our country to achieve independence and now to play our part in the affairs of this region of South-east Asia as well as international affairs. Malaysia's record since independence is one which we all can be proud of.

UMNO's main function is to mobilise Malay support, sustain it and strengthen their loyalty in support of the Alliance Government. UMNO commands considerable support of the Malays throughout the country. UMNO's other function must be, together with its partners, the MCA and MIC, to promote and strengthen good-will, co-operation and unity among the various races in this country.

We believe and I personally implicitly believe—that it is imperative that the various races in this country must live peacefully, with good-will and friendship towards one another if Malaysia is to survive and grow as a strong and united country.

The various races must ultimately be integrated into a single united nation whose sole object of loyalty is to Malaysia only. We,

in the Alliance, strongly believe in this and are doing our best to fulfil this aim. We also believe that this can only be achieved gradually but we must move forward steadily step by step until we achieve our ultimate goal.

UMNO is strong today because its top leaders are loyal and dedicated people. They are not only loyal to the people, but loyal to each other. They have made a pledge to serve and make sacrifices in the interests of the people of this country of all races. It is also a truly democratic party and the leaders are always close to the people.

The tasks ahead confronting UMNO are great. UMNO has achieved much in the past but there is still much more to be done. UMNO is responsible for sustaining the unity not only of the Malays but of all bumiputras.

Its duty is to see that the bumiputras have a rightful place in this country, to see to their economic uplift and the modernisation of their outlook and attitude. Indeed it is UMNO's duty to fulfil their desire for a better and higher standard of living and for a just and equitable society.

These are the aims and immediate problems of UMNO and on this happy day we leaders of UMNO re-dedicate ourselves to work and strive even harder to achieve these objectives.

I ask members of UMNO to be loyal to the Party, to the aims and objectives and to the top leadership. To all good friends of UMNO of other races I ask them to help UMNO because it is the duty of all of us in Malaysia today to help strengthen the sensible, moderate leadership which alone can lead this country in peace, harmony and unity towards meeting the rising expectations of our people of various races for a better life and a more just society.

If this sensible and moderate leadership were to fail, then the country would veer either to the right or the left. If this happens then I am certain that misunderstanding and misfortune await all of us.

Let us therefore rally to the help of this middle-of-the-road leadership—the right road towards peace, happiness and stability of our people and our beloved country, Malaysia.

INFORMAL SPEECHES

POLITICIANS AND ADVERTISING AGENTS: THE DIFFERENCE

The role of advertisers and advertising agents is very relevant especially in developing countries like Malaysia. This opinion was expressed by Tun Razak when he spoke at the Sixth Asian Advertising Congress Dinner in Kuala Lumpur on 28th June, 1968.

I must say that your occupation, advertising agents, and mine have one important thing in common. We both have to serve our masters and produce results. If we don't, in your case you will be thrown out of jobs, and in my case, I will be thrown out of office. However, there is, I admit, one difference—a good politician advertises on the basis of the results he has produced; whereas you, ladies and gentlemen, advertise to get results.

I understand that the theme of your Congress is effective communications in the Asian region and the role of advertisers and advertising agents in achieving this objective. This subject of effective communication in this region of Asia is not only of great interest to businessmen, but also to responsible governments of countries in this region.

We in Malaysia are particularly interested in this because Malaysia is a meeting place of Asian cultural and ethnic groups and because Malaysia is a country not only with people of diverse origin, but also of vast distance and difficult terrain and of different standards of development.

Indeed, Malaysia provides a mirror of the various problems and challenges of communications in Asia. We are, therefore, greatly interested in your discussions and deliberations in order that we can share the benefit of your wise counsel and experience in solving the many problems that we are facing.

Ladies and gentlemen, Asia, and particularly Southeast Asia, is on the cross-roads of changes and progress. There are conflicting

forces at work here and the future is somewhat uncertain. However, as far as we in Malaysia are concerned, our people are determined to survive, to progress and to prosper. During the eleven years since we achieved Independence, our people have shown that they have the will and the courage and resilience to face problems and challenges and to move forward, whatever obstacles that may be on our path, and despite the uncertainties of the future.

We here are confident that given the goodwill and the determination to work together, countries in Asia and in Southeast Asia will be able to live in peace and harmony. We believe that peaceful co-existence, and non-interference in each other's internal affairs, are the best guarantees for the future peace and stability of this region; and we would like all countries within this region and outside to realise and understand that this is the only policy that would be accepted by the people here and that would bring benefit to all concerned.

Ladies and gentlemen, now coming to the subject of your Congress. As I said, your main theme, communication in Asia and the role of the advertisers and advertising agents is very relevant especially in developing countries like Malaysia. We have a young, growing population, eager and ready to meet the challenges in a rapidly changing world. Our economy is expanding fast, both in the agricultural and industrial sectors. We are changing our physical environment and our mental outlook as well. Our quiet silent revolution is well in progress, as you can see all around you. We are creating a multiple of wants. This is where you, ladies and gentlemen, come in.

Our producers, who are trying to open markets inside and outside the country, can make wider use of the advertising medium to create and sustain markets for their goods. Our producers must first be sure that their goods conform to a standard, before advertising can help them find customers. I'm sure you all agree with me, ladies and gentlemen, that when all is said and done, honesty *is* the best policy. However, I don't know if you will

want to be as frank as the sign outside a small town shop which says "Why go to be cheated elsewhere when you can be cheated right here?"

It does not pay to make exaggerated claims that cannot be fulfilled either. May I make a plea here for some general ethics in advertising, to prevent an unscrupulous few from spoiling the good name of the rest so that you can make it your motto: "What is good for the Public is good for the Advertisers" instead of "What is good for the Advertisers must be good for the Public".

A responsible advertising agent will thus slant his appeal so as to protect the public interest. Take the advertisement for cars and car-related products for example. In this age of adventures in outer space, it may not be fashionable to mention safety in connection with cars, but it would certainly be a public service if the industry were to do so. I was interested to see an international petrol company, in its advertisement, urging its customers to drive carefully after extolling the virtues of its products.

Of course, the underlying motive is that a driver who lives longer, will use that company's petrol in correspondingly greater quantity. What is apparent is that the company cares for its customers, and through this appeal, may win a wider market.

You, ladies and gentlemen, as advertising agents, have the power to shape public taste. This power, of which you are well aware, has been discussed by many writers, including Professor John Galbraith and Mr Vance Packard. It is not for me to discuss it here. What I would urge you to do is to use this power with restraint and responsibility. The average man's dream is to improve the quality of his life, and you can do your share in helping him achieve this.

Just as a good advertising agent knows when to change his advertisement before the public gets tired of it, so one of the good rules of effective communication is to know when to stop. On that note, Mr Chairman, I will now fade away to allow you to project your next advertisement.

FIRST ESSENTIAL TO ACHIEVE RESULTS

AND THE DEADLY SINS OF BUREAUCRACY

Tun Razak hazarded a guess as to what the letters E.R.O.P.A. stood for. He surmised that they might stand for "expedite results out of plans and administration". In his opinion the first essential to achieve development results was to set up a machinery of Government which would ensure a directive control for the correct implementation of plans and which would function as an efficient machine manned by a purposeful singleminded team. He explained this in his speech at the official opening of the 5th General Assembly of Eastern Regional Organisation for Public Administration at Dewan Tunku Abdul Rahman on 20th June, 1968.



Tun Razak speaking at the opening of the General Assembly of Eastern Regional Organisation for Public Administration in Kuala Lumpur, on 20th June, 1968. The conference marked the tenth anniversary of EROPA.

In opening any international conference, as is my task to-day, one has to be very careful what one says so as *not to be misunderstood*, particularly by the Press!

I remember, the story of a Conference on Tuberculosis, when the opening speaker, with considerable *dramatic effect* put his

right-hand over his heart and said, "I have Tuberculosis very *near my heart!*"

The result was that his speech was mis-reported by a junior reporter, who produced an article the next day, saying how *serious* it was to have the disease *Tuberculosis creeping near one's heart,* and wondered how much longer this V.I.P speaker had to live in this world!

But I, to-day, stand here *with no fear* of being *misreported* can put my right-hand over my heart and say, that the subject of your Conference, the subject of *Development,* is the one which is *nearest to my heart!*

The *heart and essence* of Development which we in Malaysia have been trying to apply to the utmost, for the last ten years, is the ability to *expedite* tangible *results out of* our *Plans,* by the correct application of our *Administrative* resources.

My Development "war cry" for the last ten years has been, as everyone in Malaysia knows, to produce *quick results* in Development, and when I went deeply into the meaning of this word EROPA, I came to the conclusion that it must stand for the following:

"Expedite Results Out of Plans and Administrative action."

Recently, on this very platform, I was involved in the opening of a Conference on Telecommunications!

To-day, I feel I am involved with the subject of "Telepathy!"

Because when I read your background Paper for this EROPA Seminar; the Paper produced by Prof. Hahn-Been Lee, your Co-ordinator, I felt a *very close telepathic bond* between the thoughts generated by your Planning Sessions in Bangkok, last March, and the thoughts generated in my own heart when I apply my mind to Development.

I can prove this by giving you a summary of the action Malaysia has taken on Development since gaining Independence ten years ago.

I think you will agree when you hear what I say that we in fact apply the very same thoughts and philosophy which are contained in your background Paper.

As the main topic of your Seminar is Administrative Reforms and Innovations, let me, give you a very brief description of how we in Malaysia set about the task of trying to get our Development Programme really moving.

Any government, particularly, one with a colonial heritage tends to be merely temporary and carry out little more than basic minimum administration with no sense of urgency and no dedication to development for the sake of the nation.

Because the Civil Service after Independence was the same Civil Service which had served during the days of colonial dependence, the first thing which had to be done in evolving a technique of development implementation was to bring about a change of attitude in the hearts and minds of every Government employee; to instil a sense of urgency, a sense of dedication to development, a spirit of initiative and a feeling of "belonging".

In other words converting an impersonal, lifeless administrative Government machine, into a vital, lively and loyal group of human-beings, with a feeling of *belonging*, dedicated not merely to their monthly pay packets, but rather to the Development and Service of their country.

I am pleased, since Independence, there has been a great change in the attitude of the entire public servants in this country—in their awareness of their responsibility, of the desirability of working together as a team and to achieving results. There is an awareness among the public servants that they are serving their people, their country and this in itself is a reward and a satisfaction. Indeed, I would say with modesty that a new spirit and a new life has permeated throughout the Government Service. The other main deterrent factors which tend to delay development are what I call the "Deadly Sins of Bureaucracy," such as inter-departmental jealousy in the execution of Government functions; conflicting departmental policies lack of co-ordination between departments in carrying out national policies; lack of day-to-day co-operation between Government officers on the ground mainly due to lack of understanding of each other's task and responsibilities.

So often, each Government department thinks that its own function is the most important without appreciating the importance of others.

These factors or "Deadly Sins" tended in the past to decrease the efficiency of Government and hampered development.

Therefore, we realised in the early days of our Independence that the *first essential* to achieve development results was to set up a machinery of Government which would eradicate such defects; which would ensure a *directive control* for the implementation of our Plans and would ensure that our Government, at all levels, would function as an efficient machine manned by a *purposeful single-minded* team and driven towards one goal, that of our National Development for the benefit of our people.

Of the three-fold process of national development planning, implementation and evaluation, I would say that implementation is perhaps the most difficult of the three and requires extremely clear definition of action if Development Plans are, in fact, to be translated from paper to projects producing tangible results, both on the ground and in raising the standard of living of our people.

The technique of national economic development planning is now well advanced throughout the world and it is fairly easy for any developing nation to have a plan prepared, but the technique of implementation and putting some push and punch into the translation of that plan from paper into factual results is a technique for which there was little international knowledge available. At the time we launched our Development Programme immediately after Independence, therefore, we in Malaysia had to evolve our own technique of Plan implementation.

As I understand that in the course of your discussions, not only do you have a background paper on our system of Development Operations Room, you are scheduled to pay a visit to our National Development Operations Room.

That being so, I shall not go into further details of how we try to do things in Malaysia.

I would, however, like to mention two things which I noticed in your background Paper; the first is concerning Economic Planners; it is mentioned that they used to make an *economic plan* and then almost wash their hands off it and leave the implementation to the politicians and bureaucrats!

In the old days, I noticed this myself.

The old concept of an economic planner reminds me of a *cook* in a *bad* restaurant; he will stick to his kitchen, leaving the resopnsibility of *serving up his dishes* to the waiter, who has to serve his cooking "mistakes". If the soup was too *watery* or the steak burned, it was the *waiter* who got hell from the customer, while the cook remained closetted within the security of his kitchen! This has been also the practice of some economic planners!

My definition of the good economic planner is like a *good* Chef in a good restaurant, who has the courage to come out of the kitchen to see his food being *eaten*, and taking the *blame* if need be, for any *mistakes* of his own making.

We apply this principle in the Operations Room technique by making sure that the Planners come out of their economic "kitchen" and sit side by side in development briefings with both politicians and implementers so that they cannot *run away* from any *economic errors* they have made at the planning stage.

The other point I would like to mention which is raised in your Paper, and that is, regarding the wholesale adoption of ideas which have been successful in developed countries and transplanted lock, stock and barrel, to developing countries.

We also in the past have suffered from this defect but now we have got over it.

The answer is not entirely to *reject ideas* which have been successful elsewhere, but to regard them in the same way as a good plastic surgeon who carries out a skin graft or a doctor, a blood transfusion!

You cannot just graft *any bit* of skin on the human body and expect it to take, neither can you pump in *any type* of blood and expect it to be absorbed into the human system.

So it is, in my opinion, with development ideas from other countries.

One has to examine very closely the anatomy, background, traditions and social economic structure of one's own country, and then examine the new idea to be transplanted and make sure that conditions at the receiving end are such that a marriage of ideas and implementation will in fact succeed!

Looking at your programme for discussions I can see that no mention is made of the role that a politician should play in the

administrative reforms and innovations with regard to Development.

You are probably wise to ignore this aspect but as a politician myself, allow me to have a little say regarding the role of a politician, particularly, with regard to development implementation which seems to be the dominating theme of your future discussions.

Let me remind you of a quotation which dates back to the 16th century when an eminent scholar described the "art of government" by politicians in these words: "They that govern *most* make *least* noise!"

I wonder how many of you in this room agree with this oft repeated quotation?

I have no intention of putting my question to the vote before you, because to do so, I would have to first analyse it in detail, and having been trained basically as a lawyer, I would have to go into the detailed definition of each word, particularly, the word "*Noise*."

However, let me give you my opinion on this quotation. I think it really needs to be brought-up-to-date!

My political philosophy and the philosophy of my government is that a good politician and a good government should *make noises*, but in the right places. In other words, they should create the *right noises* in the *right places*.

I feel it is this principle that should apply throughout the developing nations of this Region—*Less noise* on political *platforms* and *more noise* from the *echoes* of *economic* development made by the physical forces at work laying the foundation of stability and building the bulwarks of economic progress in the developing countries of our Region.

I like a *lot of noise*, and in certain areas of our national development nothing is sweeter to my ears than the *noise* of *tractors* and *bull-dozers* clearing our jungles for the development of new land and new life.

I like the *noise* made by the *hammer* and *clatter of* thousands of workmen as they get on with the task of building new schools, new hospitals, new bridges, new water-supplies, and all these hundreds of development projects which are *vital* to the stability and economic progress of a developing country such as Malaysia.

It is my belief that if all political leaders in the world were really dedicated to these types of *noises*, then less frequently would we have in this troubled world the *noises* made by guns and bullets because I believe that the true application of sound economic planning in countries such as ours with the resultant benefits of higher standard of living and greater economic productivity is in fact the best defence against aggression and an insurance policy against internal subversion.

You have made great strides towards the aim of every sensible citizen in the Region. The aim of *regional co-operation* is substantiated by tangible results. You have, before your Association, a tremendous challenge and opportunity to help stabilise Development and help push along the path of progress all member countries in this region.

CLOSER LINK URGED

"IT IS IN THE INTERESTS OF EUROPE AND SOUTH EAST ASIA"

Though separated geographically by thousands of miles and though they differ in culture, creed and stock, both Malaysia and Belgium share the same ideas. This was pointed out by Tun Abdul Razak at a luncheon given in his honour by Mr W. De Clercq, the Deputy Prime Minister of Belgium, in Brussels in May, 1968. Opportunity was taken by the Tun in the course of the following speech, to thank Belgium for the assistance she had given Malaysia in the past and for her promise to continue such help.

Our two countries, Malaysia and Belgium, have maintained close and friendly relations ever since we in Malaysia achieved independence 11 years ago. Last year we have had the privilege of receiving the Economic and Trade Mission from your country headed by His Royal Highness Prince Albert, and a year before that in 1966 we also had another economic mission from your country.

Your country has therefore shown great interest in the stability and progress of our country, Malaysia, and has shown a sincere desire to assist and co-operate, with us in our efforts to achieve economic growth and to give our people a measure of happiness and prosperity.

Therefore, Your Excellency, it gives me real pleasure personally today to thank you and your Government for the friendship and co-operation, for the help and asistance which you have rendered us in the past and for your promise to continue to give us all the help you can.

We both believe in Constitutional monarchy and in regional co-operation because it is our earnest hope that all countries in the world should live together in peace and harmony and should work together for the benefit of mankind and the world at large.

We, in Malaysia have, in our own way, endeavoured to establish close relations among neighbouring countries in Southeast Asia.

Many years ago, to be exact in 1961, with Thailand and the Philippines, we established the Association of Southeast Asia (ASA) and now this regional co-operation has been expanded to include Indonesia and Singapore.

Your Excellency will no doubt have heard of the formation of this new regional co-operation known as ASEAN. It is our belief in Malaysia that expansion of regional co-operation is an important step towards the creation of a peaceful and prosperous world at economic, social and political level.

I note with great pleasure Your Excellency's statement on the necessity for co-operation between Europe and South East Asia and that the European communities are conscious of that and the desirability of the developed countries in Europe to assist the under-developed and developing countries of South East Asia.

It is in the interest of Europe as well as South East Asian countries that there should be this co-operation and assistance. We greatly welcome Your Excellency's statement.

We in Malaysia, are endeavouring to obtain a closer link with the European communities and I trust we shall have the support not only of your country but of all the other countries concerned.

We also note with a real sense of satisfaction that Belgium has made concrete and possible efforts towards this end.

Your Excellency, the technical and cultural agreement which has been signed between our two countries has encouraged the development of closer relations and co-operation.

Today we have a Belgian expert assisting us in the Sungei Tong Palm Oil Scheme in Trengganu and there are a number of Malaysians studying in your country on grants given by your government for the period 1966/67. I am looking forward to an even closer co-operation between our two countries in other fields as well.

As I said just now, your country has sent two Economic Missions to Malaysia, and therefore your experts here know well of our needs in the various fields of activities which your Government and your people could interest themselves in. There are already a number of Belgian firms in Malaysia and the door is wide open for the entry of other interested Belgian enterprises.

We welcome your industrialists and technicians to be partners in our economic efforts and the two missions that you sent know the pioneer status which we grant to newly established industries as well as other incentives.

Your Excellency, our country, Malaysia, has been following a policy of friendship and co-operation with all friendly countries. Our economy is basically agriculture and we are producing a number of food crops which other countries require. We, therefore, need trade and co-operation.

We look forward to developed countries such as yours to show faith in us, in our efforts to survive as a young nation and to give our people that measure of peace and happiness which they desire.

We would like you to show faith in our efforts to maintain peace and stability in that important region of Southeast Asia,—peace and stability which will not only benefit countries in the region but other countries of the world.

KNIGHT OF THE ORDER OF ST. JOHN

HONOUR ALSO SHARED BY 19,000 MEMBERS

"As a knight of an order of chivalry I will try in my daily work, in my daily duty to vindicate myself in the battle which faces all of us today in this present turbulent world—the battle against poverty." This pledge was made by Tun Razak at a dinner in Kuala Lumpur on 23rd March, 1968 to celebrate the conferment of the Insignia of the Knigthood of the Order of St. John by Her Majesty Queen Elizabeth II. Among those who heard Tun Razak's speech were H.R.H. Sultan and Tengku Ampuan of Selangor, Tunku Abdul Rahman and Sir Michael Walker, the British High Commissioner in Kuala Lumpur.

Admittedly, this is an honour conferred on me personally, but it is in real fact an honour on our St. John Ambulance Association, which is shared equally by the 19,000 members of the Association in Malaysia, because it is in fact by their hard work, their enthusiasm, and their dedicated service, that has made the conferment of this honour a reality.

Therefore, Ladies and Gentlemen, let me first thank and congratulate you here to-night, you who are members of this Association for the great work and unselfish voluntary service which you have given to our country and for our people; and to you, Mr High Commissioner (turning to the British High Commissioner)—I would like you as Her Majesty the Queen's representative to convey to Her Majesty how deeply grateful and appreciative we are for the interest which she has taken in the welfare of our country.

However, my dear Sir, you have just said in your speech that I was informed on Merdeka Day when we were celebrating ten years of independence. I was informed personally that Her Majesty Queen Elizabeth had appointed me a Knight of the Order of St. John.

I then turned, as I do on many occasions, to my reference books and refreshed my memory of the history of such Orders of Chivalry and realized that correctly a Knight should go about his business correctly mounted with the *reins of a horse* in one hand and a *lance* in the other!

I thought it would be appropriate if I learnt to ride a horse correctly. Although to-night, I am so happy to receive this Knighthood, I am *disappointed*, to say the least, that you did not give me a *horse* to go with it; or perhaps your Prime Minister, Mr Harold Wilson, would not approve a horse because of the effects of the devaluation of the pound, and the British austerity drive; but nevertheless a *little pony* would be able to get around!

You imply, Sir, in your speech that if I had been given this Knighthood some centuries ago, I would have had to vindicate my Knighthood by some special feat of arms by going to war!

Eleven years ago, in fact I did, with the Tunku and my other political colleagues, in fact go to war with the British—not mounted on a horse, but sailing the high seas to London to fight not with horses and lances, but with pen and persuasion to obtain from the Realm of England our independence as a Nation!

And I am glad to say that since that fight finished in 1957, our relationship with Britain and other Commonwealth countries has been one of friendliness, co-operation and mutual respect which I hope will continue for a long time to come.

Further, Your Excellency, in your speech you say that there is no need for a knight of an Order of chivalry to vindicate himself on the field of battle.

Nevertheless, I will try and will continually try in my daily work, in my daily duty, to vindicate myself in the battle which faces all of us to-day in this present rather turbulent world, the *battle against poverty*, the battle for a higher standard of living for our people and the battle to save our country, and the free world from the slavery of the dictatorship of Communism so that we can continue our democratic way of life in our way of free expression.

Lastly, Ladies and Gentlemen, to-night's occasion to me is really one of gratitude.

Having been conferred with this great honour, unfortunately my wife is not on the speech-making programme. I would like to say one word on her behalf!

She has been a woman and a wife to me for so many years. She has produced five sons, but she has always been regarded either as a wife or a woman. To-night she is different; by virtue of my

Knighthood she has been *transformed* into the female equivalent of a Knighthood—a "Lady." I hope when we get home she will always behave as a lady!

Your Highness, Your Excellency, Ladies and Gentlemen, this is not an occasion on which I should make a long speech. In fact, the appropriate theme of my speech on such an occasion could in fact be condensed to a very few words—I am grateful to Her Majesty Queen Elizabeth for Her graciousness, and I thank all the members of the St. John Ambulance Association for their hard work and dedication which has made this occasion possible.

Thank you.

THE NATIONAL MOSQUE

PERMANENT TRIBUTE TO TUNKU ABDUL RAHMAN PUTRA AL-HAJ

Masjid Negara—the National Mosque—was described by Tun Abdul Razak as "an everlasting tribute to our great national leader, Tunku Abdul Rahman Putra Al-Haj, the father of the nation, and a monument of our national independence. He said this at the official opening of the Mosque by His Majesty The Yang di-Pertuan Agong on 27th August, 1967.

On this holy day, that is Friday, when all Muslims throughout the world forget their differences and enmity and assemble in mosques to perform the "Friday Prayer", we the people of Malaysia offer our thanks to God the Almighty for having blessed us with a majestic and historic National Mosque. We are also thankful for Duli Yang Maha Mulia Seri Paduka Baginda Yang di-Pertuan Agong to have graciously consented to perform the opening ceremony of this Mosque.

The desire to build this big Mosque for this country was first mooted after our country achieved its independence on 31st

August, 1957. It was intended to be a permanent monument of the independence of the then Federation of Malaya and as a gift from the people and the nation to the Yang Teramat Mulia Tunku Abdul Rahman Putra Al-Haj as a token of our gratitude and appreciation for his services and wisdom in guiding the Federation of Malaya towards independence. Thus the money spent for the construction of the National Mosque does not only come from the Central Government but also from the State Governments and the people generally.

It is my personal desire and wish and also that of the organisers of the National Mosque that this Mosque be named "Masjid Tunku Abdul Rahman". However the Tunku himself suggested that it was more appropriate to call it "Masjid Negara". Thus today's ceremony is of great significance in the history of our Nation for the National Mosque will be an ever-lasting tribute to our great national leader and the father of our nation and a monument of our national independence.

As Chairman of the Committee for the construction of the National Mosque I wish to express my heartful thanks to all members of the Committee, its Secretary Tuan Haji Ismail bin Panjang Aris and members of the State and District Committees for their efforts in collecting funds for building this Mosque. I also wish to thank the donors from the various races who have generously contributed towards the mosque building fund amounting to $1,007,000. I am unable to mention all their names as there are thousands of them. But many of those who donated large amounts are present here this morning.

Also I would like to offer my sincere thanks to their Highnesses the Rulers and His Excellency the Yang di-Pertuan Negara, Singapore and Their Excellencies the Governors for having generously presented a chandelier each which we now see in this Mosque.

A large portion of the contribution came from non-Muslims. This is clear evidence that the multi-racial inhabitants of Malaysia from various creeds and religious do have goodwill and understanding among themselves and they are ever ready to help one another.

It has always been the policy of the Malaysian Government to strengthen further the spirit of goodwill and friendship among

the various communities drawn from various religious groups in this country so that every person has his or her rightful place in this country and that one day they will regard themselves as members of one nation irrespective of their religious belief.

The contributions received from the non-Muslims are clear evidence that the people generally accept and uphold the policy of the Government.

As provided in the Constitution, i.e., that though Islam is the official Religion, the Government has guaranteed the freedom of worship and the right to profess any religious belief to all in our country.

A mosque in the true sense of the word is not only a place of worship, but as we know from the history of the evolution of Islam, especially during the time of the Prophet Muhammad and his Disciples, is a place where Muslims congregate to discuss and resolve problems of day-to-day life including problems pertaining to religious tenets, public welfare, social and academic.

This Mosque stands on 13 and a half acres of ground, five acres of which is taken up by the building itself. The Grand Prayer Hall is 22,500 sq. ft and can accommodate not less than 8,000 worshippers. In addition there is another all purpose hall which can accommodate 500 persons. This Mosque also has a library and offices. Adjoining it there is a mausoleum for our national heroes.

As a National Mosque and the biggest in the country it is hoped that this mosque will serve as a centre for the research and development of Islam. Similarly it is hoped that a centre for higher Islamic studies will be established in this mosque so that it will become a symbol of the importance and the progress of our religion Islam and the beacon of Islam throughout Malaysia.

(Tun Razak disclosed in the course of his speech that India had presented a valuable silver chair of very fine workmanship for use as the seat for the Imam of the National Mosque).

UNITED BY FACTS OF GEOGRAPHY AND BY TIES OF HISTORY

In a broadcast in Australia on 8th April, 1967, which follows, Tun Razak said he was tremendously impressed by what he had seen during his tour of the country. He took the opportunity to express appreciation of the constructive contributions made by Australia for the progress and welfare of Malaysia.

I have been anxious to come on a visit here because I want to see Australia for myself. Like many others I have read about Australia—of your history, of the beauty of your countryside, of your vast resources, of your energy and activity, and the richness and diversity of life in this country.

I had formed the impression of a country which is young, lively, varied and exciting—and since coming here my expectation has been confirmed. I have seen the bustle and activity of Sydney. I have seen the quite efficiency of Canberra, I have seen your wide, open land, your farms, your factories, your industrial projects, I have seen your beaches and your parks, your universities and your cultural centres—and most of all I have seen and been greatly touched by the warmth of the people of Australia.

Your energy and enterprise and enthusiam, your sense of history, and of your responsibility as a prosperous nation in a region of poverty and under-development, have impressed me.

Certainly by any standards, and particularly in comparison with Asian conditions, this is a rich and prosperous land. You are rightly concerned with providing your people with the good things of life. So, too, we in Malaysia. Compared to you here we are poor; but in the region of Southeast Asia, we are much richer than our neighbours.

However, it is a precarious prosperity as it is dependent mainly on the export of two primary commodities, rubber and tin, whose

prices fluctuate on the world market with consequent uncertainty for our economy. A drop of one cent per pound in the price of rubber means an annual loss of 22 million dollars in export receipts to us, and the price of rubber, as you are aware, has been showing a marked downward trend.

We are, therefore, constantly battling with the problem of development, to raise the living standards of our people and in particular to close the gap between the urban and the rural areas, between the "haves" and "have-nots", and between the states of Sabah and Sarawak in East Malaysia and the states in West Malaysia.

We are determined to succeed—and to achieve that success within the framework of parliamentary democracy. That is of particular significance to you in Australia. Our failure would mean the failure of the parliamentary system which would only be to the advantage of the Communists in our midst who draw their inspiration and their support from outside the country.

That is why in the present conditions of Malaysia, I prefer to regard the Communists not only as an enemy but also as competitor in the solution of the development problem. That is why if we solve the problems of development, we would largely solve the Communist problem. We in Malaysia believe that democracy is the best system of government ever devised.

We believe in a free-enterprise economy as the most effective means of releasing the energy and ingenuity of men. We believe that a democratic, free-enterprise system will produce the best results—provided always that the people who operate the system are honest, efficient, tough and dedicated. But the Communists will always try to muddy the water, to distract our attention and dissipate our energies to non-productive enterprises so that we will fail to solve the development problem. They feed upon the remains of lost hopes and ideals.

We are determined that the hopes and ideals of our people, for peace, for prosperity, and for progress, will never be disappointed. That is why we are grateful to you for your assistance in that endeavour, the success or failure of which has so direct a bearing on your fortune and your future.

I would like to speak on one other aspect of the development problem: which is, that in a prosperous society, the edges of

social conflicts are blunted. Malaysia is, as you know, a multi-racial society composed of peoples of different races, languages, religions and cultures. For myself I find that this diversity of peoples is a great challenge and indeed I think you too know in Australia how much the contribution of the different ethnic groups has been to the rich variety of Australian life.

But I would be less than frank if I say that we in Malaysia have completely solved the problem of welding together so many diverse people into one homogenous society. We have made enormous progress as evidence of the last ten years clearly shows—the national consciousness permeates over racial or sectional consciousness. But that success would be lost if we do not continue to make economic and social progress, if we do not ensure that the size of the national cake is sufficiently large so that it may be satisfactorily divided among all.

So once again we come back to the development problem: solve that and you also solve the race problem. That is why we believe it is best solved not in loud debates and public confrontation but in tackling it at the roots through education and economic development.

I have taken a little of your time in talking about the problems and prospects of Malaysia. I do not think that I am being unduly boastful if I say that we have made good progress—the democratic system thrives in Malaysia, the economy throbs with activity, the plans for rural development have had striking results, our people look to the future with confidence.

This, I know, is a matter of great satisfaction to you, as much as it is a matter of tremendous pride to us. For our future and our destiny are inevitably linked. We are united by the facts of geography and by the ties of history. We have a common faith in the democratic process and in a free-enterprise economy. Most of all we share a concern for and a pride in the individual, to overcome his fears and disabilities and to realize his hopes and dreams. We both believe profoundly that in the final analysis, it is the individual who counts.

That is why I am so delighted at this opportunity to speak to you as one person to another. I have spoken directly and simply as I would if you were in my house. But instead I have come to yours and I do wish to thank you most warmly.

THE PRINCIPLES OF ROTARY AND THE UNITED NATIONS

Speaking to Ipoh Rotarians at their dinner on 2nd July, 1967, Tun Razak expressed the view that if the United Nations General Assembly could adopt the principles of Rotary International perhaps there would be more peace in this strife-torn world of today.

I have been told that a certain tribe in Africa had a very fine method of dealing with public speakers; the method which you might like to adopt as a Rotary principle.

This African tribe considers long speeches injurious both to the speaker and the audience, and in order to protect both, there is an un-written law that every public speaker must stand on *one foot* while addressing his audience; as soon as the other foot touches the ground, his speech must stop!

Also, I understand other people say that an after-dinner speech is like a baby because it is easy *to conceive*, but difficult *to deliver*, and even more difficult, *standing on one foot*!

Would you like me, Mr President, to stand on one foot? I can, if you want me to!

However, Ladies and Gentlemen, talking of "feet", I think our country, Malaysia, which is becoming more stable and firmly established in the world, owes its stability to the fact that we stand *not on one foot*, or on *two feet*. With the unity of our three main races, the Malays, Chinese and Indians, we have *three strong feet*, firmly on the ground, provided that we can nurture and strengthen, from day to day, the unity of our three peoples of different origin!

Anyone who does anything to break *this unity* is in fact, like the un-written law of the African tribe I mentioned, asking us to try and progress as a nation by standing on one foot alone.

I have no wish to bore you with a political speech, but, as you know, on 31st August, this year, we will not only celebrate our annual Merdeka Day, but also, celebrate *ten years of progress* as an independent nation. We can now look back with pride and pleasure, that in the ten years since 1957, we have achieved a

tremendous lot, particularly, in the field of Development, and we have many plans for the future, so that in the decade ahead of us, Malaysia will achieve more and more and achieve our goal of becoming a really prosperous and thriving nation.

But, Development plans, development projects and an increased standard of living are not enough in themselves, neither can they be achieved in Malaysia without the application of the basic philosophy of the Alliance Government of which our main aim, *first and foremost*, is to achieve *national unity*, and make each one of us, whether we are of Chinese, Indian or Malay origin, feel in fact that we are real citizens of our country, and are all one hundred per cent Malaysian.

As I have said so many times before, our policy is not ever to accentuate the differences of the racial origin of our people, but are to accentuate and focus on our similarities so that we can work, live *and* strive together *as one unified people—the people of Malaysia.*

You Rotarians, not only, here in Ipoh, but throughout every city and town in which there is a Rotary group, are already helping tremendously in fostering this spirit of national unity. I would like to thank you who are here tonight and all your fellow-Rotarians throughout Malaysia, for the good work and the contribution that you are giving to our country. Keep up this spirit, not only in words, but also in deeds, and you will help push Malaysia forward on the path of progress.

In fact, I was thinking the other day, it would be a good thing if the General Assembly of the United Nations could adopt the principles of "Rotary International" and apply them, because if they did, perhaps there would be more peace in this strife-stricken world of to-day.

To go back to this word *Unity*, there seems to be, particularly, in this area of Perak, some, what I might call, *deliberate misunderstanding* of our constitutional condition of applying and of adopting the National Language.

The introduction of the National Language *should worry no one* because it does not in fact discredit or discourage any other language in Malaysia, which may be used by various groups day-to-day, but when the time comes that all of us can communicate

with each other, irrespective of our original native tongue; then, I believe, that the good-will which is already evident and abundant in our relationship with each other; will increase ten-fold because language is the main means of human communication. I would like you to regard the national language as a *common denominator* of discourse and goodwill amongst us.

It is not difficult to acquire a working knowledge of it. Anyone who takes the trouble to acquire this working knowledge will find that his horizon of human friendship will be very much broadened and brightened, while at the same time, he can still use, to his heart's content, English, Tamil, Cantonese or any other dialect in which he is accustomed to speak.

We have been independent for ten years, and this liberty of independence must be protected if we are to survive, in the future, as an independent nation for ever, and not allow our sovereignty to be subjugated to other evil influences such as the main threat to-day, the influence of Communism.

In a Democracy, everyone talks about freedom of speech and freedom of expression. This we already have firmly established in Malaysia.

I am not so much concerned with the right of everyone *to say anything he pleases*, as I am about our need, as a self-governing people, *to hear and to understand and to absorb everything, the right things* which are relevant to our progress in unity as a nation.

And this is the type of democracy that we must build; it is a democracy in which the listeners must have the ability and choice *of determination and discrimination*, whereby they can *weigh the words of speakers* and then *decide for themselves* the direction in which they want their own nation to progress; and, therefore, *not be misled* by mischief-makers!

Let me give you an example from the world of shipbuilding.

I understand that every ship which sails the high seas is fitted with an instrument, which keeps it steady on its course, no matter how rough the seas may be, or how strong a storm may be, and that instrument is called a Gyroscope.

The dictionary definition of this Gyroscope is "a heavy fly-wheel *rotated* at very high speed and supported at right angles to the

direction of the steering wheel. It keeps the ship on a steady course.

There is a definite connection between the *rotating* movement of a Gyroscope and the movement of Rotary International in Malaysia. They both have the same effect except that one stabilises a ship and the other helps to stabilise the community.

Because, as I foresee the development of Malaysia in the future within the frame-work of our democratic way of life, the more stabilising institutions we have, and the more stabilised are our *electorate* who can judge for themselves sound commonsense approaches to progress, then the less will be the chances of our country falling into the cold-blooded hands of Communist leadership on the one hand, or on the other, of falling into the hot-headed hands of irresponsible leadership!

FRIENDS AND NEIGHBOURS

I wish to emphasize that our willingness to give you the necessary co-operation to suppress what is regarded by your country as smuggling is made in good faith and the sincere belief that relations between our two countries could thereby be enhanced and be strengthened. We do this despite loss of revenue to our country and despite the risk of unemployment to the State of Sabah. This trade has been with us for many decades and as far as Sabah is concerned, it was a legal trade. The traders did not violate Malaysian laws. However, despite all these, we agree to co-operate with your Government in the belief that as friends and neighbours, we should understand each other's problems and should try to help each other as much as we could and one should not endeavour to prosper at the expense of the other.

— *Tun Abdul Razak said this after signing the Anti-Smuggling Agreement with the Philippines in Kuala Lumpur on 1st September, 1967.*

THE WOMEN AND NATIONHOOD

BASIC PRINCIPLES OF PROGRESS

"Every woman in every home should have a knowledge of the basic principles of progress, a clear definition of direction of development and a true understanding of the part to play. This," said Tun Razak in the course of his address to the National Council of Women's Organisations on August 25, 1966, "is the greatest contribution from women towards the country's future."

I should like, Madam President, to congratulate you and your National Council for the initiative you have taken in holding this Seminar. As you said, your Council is only one year old but this one year old child has already embarked on a Seminar which will discuss topics covering such a wide field as you have explained.

A famous historian wrote some three hundred years ago "There is a woman at the beginning of all great things" and I am sure that the coming together of so many leaders of our women's organisations throughout the country will mean great things for our people and our country. I can assure you that whatever recommendations you may put forward as a result of your deliberations in this Seminar will be given the most careful consideration by the Government.

It is indeed a matter of great satisfaction that since Independence our women in Malaya have come forward in all fields—development, social, administrative and even the defence of our country. Our young country certainly needs the energies, the force and the power that our women can give to it. There is much that women and women's organisations can do for our people and our country.

That is why I welcome your idea of holding this Seminar. Progress of any nation lies in the hearts and the minds of its people and it is in this aspect and in this call to action by the people in the development of our nation that the wonderful weapon of womanhood can be used with tremendous effect. A woman has a weapon which is more powerful that any which belong to the greatest armed forces of the world. There is no defence against the soft and persuasive voice of a woman. But to use this weapon you must have plenty of ammunition and I suggest that the basic task of any organisation such as yours is to make sure that every woman in every home has a knowledge of the basic principles of

progress, a clear definition of direction of development and a true understanding of the part she can play.

I feel that the greatest contribution that our women can make towards the progress and development of this country is by the soft but persistent voice in every home, persuading and inspiring their husbands and their sons to greater efforts, to harder work and to greater dedication to improve their standard of living and their way of life.

While persuading and inspiring their husbands and their sons to play their full role in the development and progress of our country the women themselves can also play their part. By their efforts and by their endeavour they can improve their homes, i.e., by having better conditions in their homes, by having more balanced diets in the family. Also women can help to supplement family income by establishing small cottage industries in the home so that they and their daughters can do useful work in their spare time. Above all our women, by their effort and example can generate a spirit of change and progress in the home. These are the basic things which I feel our women can do and can play their part in the development and progress of our nation.

While I appreciate that our women have a wish and a desire to do their best in such professions as medical, legal, and administration, in business and such other services for the community, however, as the majority of our women live in the villages, and the kampongs and have not had education to take part in those professions, I would like them to be guided and assisted to play their part in the progress and development of our country. We in the Government have to look to the people as a whole, have to do more to the less fortunate of our people. Our Alliance Government has pledged itself to improve the way of life of our people, to give them a better and higher standard of living. Therefore it is on these things that I would like to see more emphasis and more thought to be directed.

I agree that our women should be assisted and guided to take their rightful place in the professions and in administration, but we have to do our work in accordance with priorities and we feel that the people in the kampongs and the villages, both the new and old, have a prior call on our time and our energy because they need our help.

I can assure you the Government is grateful to your Council for your pledge of loyalty, for the support and co-operation that you

have given to us in the past. We shall do our best to assist you and your Council because it is the Government's policy to assist all voluntary organisations.

THE IMAGE OF MALAYSIA

PUBLIC RELATIONS IN THREE NATIONAL TASKS

There are three important national tasks in which public relations can play a vital role, The first, said Tun Razak, is to project a correct image of Malaysia abroad, as a democratic, freedom-loving nation which wishes to be friendly to all nations. He was speaking at the general meeting of the Institute of Public Relations, Malaysia, in Kuala Lumpur on 23rd April, 1966.

I am very happy to be your guest here today and I am even happier to discover that an Institute of Public Relations actually exists in Malaysia, a fact of which I was not previously aware.

Your Institute must have been extremely modest in your own publicity to have kept quiet so long and this silence on behalf of your Institute reminds me of a poem I heard in my youth:

"The codfish lays a million eggs
While the faithful hen lays one,
But the codfish does not cackle,
To inform us what she's done;
So we disregard the codfish,
While the faithful hen we prize,
Which only goes to prove
It pays to advertise!"

However, I understand that your aim in this Institute is to base your activities on solid professional and ethical foundations before seeking recognition. I do hope that you will make an effort towards building up a thriving Public Relations Institute because the new and modern technique of publicity and public relations is something which is of vital importance to our nation at this stage of development, particularly in view of the dishonest propaganda techniques used so unscrupulously by militant Communists, their associates and a few countries following communist techniques.

From the national stand-point we have three great national tasks to accomplish in the field of public relations. The first is to project a correct and truthful image of Malaysia abroad as a

democratic freedom-loving nation which wishes to be friendly to all nations.

To achieve this aim we certainly need to acquire and develop the most modern techniques of publicity projection. I believe, as I am sure all of you do, that the art of projecting publicity is now no longer an amateur task but one which is becoming more and more technically professional.

Therefore, both within the structure of Government and within the private sector, we must stimulate a higher sense of awareness of modern publicity methods so that Malaysia is properly projected throughout the world and so that the peoples of other nations will be better informed, have the same confidence in Malaysia as we have in ourselves, and so pave the way for greater international understanding.

To those of you here today who belong to private organisations you may think that this task is entirely a matter for the Government. That is not so. You have an equally important part to play in achieving this aim whether you belong to a local firm or to an international firm carrying on business in Malaysia, because by virtue of your investments in this country your future progress is closely tied up with the future progress of our country and the further Malaysia is projected into the international field of human understanding and the greater benefits if we, as a nation, achieve from this, these benefits will be shared by all who are active participants in the private sector of our economy.

I would like to express my gratitude to the many private firms for the good work they have done in this field.

The task of projecting our nation is made more difficult because we have to battle against the tremendous odds of false propaganda which is the main ingredient of the Communist techniques in attempting to subvert and dominate our nation.

I believe that the correct way of counteracting such propaganda is not to descend to the same depths and the same methods of cheap falsehoods but rather to employ the clean and straight methods of "*pure publicity*" based on truth and hard indisputable facts.

Members of the Press could assist and co-operate in projecting our image correctly. Instead of merely stating the plain facts they could by using the correct techniques, help give the right and proper picture of our country and what it stands for to the outside world.

Regarding cheap publicity I remember also the story of the Hollywood film star who was asked how she liked her new publicity agent and she replied, "He is wonderful. Since I employed him I have been robbed twice, my house has been burnt, and my car has been wrecked, and I have had my life threatened by an anonymous enemy since—all because of good publicity."

I am sure however that your Institute will help to lay the foundation of honest professional methods and set high standards for all publicity organisations in this country to follow and maintain.

Ladies and Gentlemen, on our second national task, which all of you can help in every media of publicity, is to use every possible means to strengthen our racial harmony and understanding within our shores.

And in this connection the Press, in particular, has a tremendous part to play in continually moulding public opinion towards national, racial unity and harmony. As you know public opinion is sometimes difficult to define.

I remember an American politician telling me that "Public opinion is something like a donkey he owned when he was a boy." He said that in order to keep up the appearance of being its driver he had to watch the way the donkey was going and follow behind.

Similarly, if the seeds of complete racial harmony and understanding are properly nurtured in the public opinion of all Malaysians, then, the few minorities who try and mislead our people on racial issues will be forced by the strength of *majority opinion* to keep quiet and to follow behind in silence as we progress to our goal as a harmoniously integrated community.

Now our third national task is to promote and strengthen the growth of democracy in which we in Malaysia so strongly believe. In my opinion, one of the mainstays of democracy is a well informed public so that all our citizens themselves have sufficient facts and information to form their own opinion and make their own decision without being influenced by subversive groups led by irresponsible leaders.

Therefore your Institute, and all its Members, can help tremendously to ensure the security and sovereignty of our nation because I believe good publicity on the domestic front, resulting in a well informed public opinion, is one of the best antidotes to Communist and other forms of subversion.

WITH THE PRIME MINISTER



Tunku Abdul Rahman, the Prime Minister of Malaysia, and Tun Abdul Razak, the Deputy Prime Minister, are seen in an extremely happy mood in this picture.

THE TUNKU IS MORE THAN A LEADER

Tun Razak paid a moving tribute to the sterling qualities of Tunku Abdul Rahman as the Prime Minister, as a leader and, above all, as a friend on the occasion of his 63rd birthday on 8th February, 1966. This is what the Tun said:

Our beloved Prime Minister, Tunku Abdul Rahman Putra Al-haj, is 63 years today. And as always every year all Malaysians await the birthday of their Prime Minister and national leader with joy and warm affection.

The Tunku has led our country for the last 11 years so successfully towards political stability, economic prosperity and, above all, towards the happiness of our people of various races.

The Tunku, to the envy of all of us despite his age, is as young as ever, as hale as ever, as bright as ever and as happy as ever.

Tunku's greatest asset is his natural tendency for leadership, his humour and his ability to laugh and make others laugh and to joke even if the joke is against himself.

Under his able leadership the people of Malaysia of every racial origin have learned to live together side by side in peace as their ancestors had done for centuries.

I am quite sure as we go along towards nationhood this friendship among races will be strengthened until ultimately a really united Malaysian nation emerges.

To me personally, the Tunku is more than a leader. He has been my very close friend since our student days in London. He has been a source of inspiration to me as indeed to all Malaysians. He obtained for us our independence and was the architect of Malaysia.

During the many years that I have been privileged to know him and to work under the Tunku I always have the greatest admiration for his sincerity, integrity and his loyalty towards his friends. The Tunku always appears the same and at ease whether he is with Kings or with Heads of States or with the ordinary people. He is a Prince Charming among men and a persuasive leader in politics.

We are indeed very fortunate to have the Tunku—a man of noble birth and character and of outstanding statesmanship and diplomacy, as our Prime Minister and national leader.

My loyalty to Tunku is wellknown. As I have said earlier, he is not only my leader and friend, but I also regard him as a father. Had my father been alive today, he would not have been much older than the Tunku.

May Allah shower upon him all the blessings on his birthday and grant him good health and long life so that our Tunku will continue to guide us towards greater peace and greater prosperity for many more years to come.

THE CULTURAL PROBLEMS

THE TUN PRAISES THE MALAYSIAN SOCIETY OF ORIENTALISTS

Tun Abdul Razak described as timely the Cultural Conference of the Malaysian Society of Orientalists held at the Library Room of the University of Malaya on 22nd October, 1965. "We will be interested to know the cultural impact on nation building in a multi-racial society such as ours," he added.

The subject of your conference, "The Cultural Problems of Malaysia in the context of South East Asia" is one not only of tremendous interest to me personally bút also of vital importance to the people of Malaysia and the future development of this country.

Malaysia, as most of you well know, is a multi-racial, multi-religious and multi-cultural country. It is a melting place of the great cultures of the great countries of Asia—of India, China and the Polynesian region of Asia. Also in comparatively recent history, Malaysia has been the subject of cultural impacts and influences by countries of the Middle East and by European countries. Therefore Malaysia can truly be said to be the melting pot of the cultures of the great countries of the world. You will, therefore, agree with me that cultural problems of Malaysia will make a very interesting study as Malaysia represents various cultures of Asia, the Middle East and Europe.

I must say this conference that you are now holding on the cultural problems of Malaysia is indeed timely. Since independence Malaysia has undergone rapid changes and development in various fields of activities.

Our main problem and one uppermost in Government's mind is the welding together of the various racial groups that have made this country their home and the object of their undivided loyalty. It has always been the policy of this government, the Alliance Government to maintain and strengthen goodwill and understanding and friendship among our people of all races so that ultimately they will be able to regard themselves as members of one nation, as one people.

This process must necessarily take time but it must be the unshakeable determination of all of us to move ahead towards this ultimate goal so that we can build a happy, prosperous and united country. Therefore in our task of building a united nation, development of culture is a problem to which we must pay due attention.

As I have said, Malaysia is a melting pot of the most important cultural traditions in human history. Here the cultures of China, India, the Middle East, Europe and the indigenous Malay-Polynesian culture have come together into one area as nowhere else in the world. Therefore the challenge that faces the leadership of this country today is the development and harmonization of these various cultures, so that we can evolve a truly national culture. That is why ever since our achievement of independence, the development of our culture has been the subject of discussion and thought, not only by the Government but by various voluntary bodies.

I am indeed happy there has been established now a Malaysian Society of Orientalists which I have no doubt will play a great part in helping to promote the study of cultures and languages of our multi-racial society.

In the development of our society our policy must be not to change existing patterns of our culture in the sense that we impose a new pattern of culture to our people but we should rather develop existing traditions and the way of life, evolve them into a way of life that is compatible with modern development and with the National aspirations of our people.

The various parts of Malaysia had been subject to colonial rule for over a century. Fortunately under the British colonial rule our traditional way of life, our customs were allowed to remain and in many cases undisturbed. Therefore with independence there came a general awakening among our people to evolve our own cultural identity as opposed to political and cultural domination by the colonial power.

Ever since we achieved independence, we have endeavoured to carry out development, to give our people greater opportunities in the various fields of activities and to give them a higher and better standard of living. Our development programme does not only include the development of our economy and the development of a higher standard of living but also include the development of other things essential to the people of a happy nation; the development of a free personality, free to smile, free to worship, free to talk, free to choose one's own way of life and free to advance by the application of one's own effort and ability.

We have to carry out all these developments through democratic processes. We have a democratic Constitution which not only guarantees everyone of our citizens a rightful place in our country but also protects his rights and privileges. We believe in the ideals of freedom, justice and fair play and these ideals are embodied in our Constitution.

It has therefore been the cardinal policy of the Alliance Government within the structure of our democratic constitution to direct all our efforts in all our national policies towards creating strong, united and loyal citizens from the various races in our country. Our national education policy is aimed at bringing our children of all races together, learning the same things in the same way and under the same roof so that they will feel, they will share the same ideals and the same destiny.

Ladies and Gentlemen, we in the Government are most interested to know your views, your assessments, your findings of the various problems in the cultural development of our country. We will be interested to know the cultural impact on nation building in a multi-racial society such as ours. We will be interested to know the ways in which we can change the attitude of our people, their approach to life so that they will cultivate a spirit of self-reliance and self-respect.

Our policy is not only to build a united people but also to make them stand on their own feet particularly those in the rural areas so that they will have self-reliance and self-respect necessary for a civilised and progressive nation. The progress of a nation is the sum total of the efforts of all its citizens and we must therefore be able to exhort everyone of our citizens to do his or her best to make this country a happy place for our people and for our children in the years to come.

Ladies and Gentlemen, having posed these various problems facing our country and our people, I have great pleasure in declaring your Conference open and wishing it all the success that it deserves.

TRUE SPIRIT OF THE COMMONWEALTH MALAYSIA IS A FULL AND EQUAL MEMBER

In opening the 3rd Exhibition in Kuala Lumpur organised by the Malayan Branch of the Royal Commonwealth Society on 24th May, 1965, Tun Abdul Razak said, "Thanks to the initiative and foresight of our beloved Prime Minister, who in 1962 suggested the formation of this branch, we are now able to celebrate as full and equal members of the Commonwealth together with our brothers and sisters in the other Commonwealth countries."

One of the main objects of this Society is to bring about a better understanding among the people of the Commonwealth and I think that exhibitions such as this are an excellent way of enhancing the goodwill and understanding that members of the Commonwealth share with one another. When one is studying the Commonwealth, it is useful to be quite clear in our mind what in fact it is. I do not think that one should have a definition of the Commonwealth because in many ways it defies that definition.

One Commonwealth Statesman some time ago described Commonwealth as an unorganised organisation. There is no constitutional or legal tie that binds together countries of the Commonwealth.

Countries that form the Commonwealth are spread throughout the entire world presenting a population of over 750 million people. Among these millions are to be found people of every race and creed all held together by a bond of friendship and goodwill and belief in common ideals of freedom and justice.

As a member of the Commonwealth and as a member of the United Nations, we in Malaysia are proud of the fact that our country symbolises the true spirit of the Commonwealth and of the United Nations. Our country is one where men and women of all creeds and colours, men and women of all races live in harmony, in justice and in happiness and goodwill with one another. To those who do not agree with our way of life I say "go somewhere else which is more to your liking and leave us in peace to fashion our own destiny. That is all we ask!"

I repeat Commonwealth defies definition because it is a group of nations out of their own free will with the common ideals of the people. Therefore to strengthen the ties of the Commonwealth we must fashion goodwill and friendship among the people at all levels, in professions, among the business people, among the school children and among people at all levels. All of us realise that if we want to go on in the world today apart from hard work, we have got to live in the spirit of peace, friendship and mutual help with our fellowmen. Unfortunately, much as we wish to, we Malaysians are not being permitted to live in peace. Our nation is being forced to defend its national integrity and independence against blatant and shameful aggression by Indonesia.

In this hour of our national crisis we have been fortunate as a member of the Commonwealth, to look to our fellow members for assistance. The Commonwealth forces are standing shoulder to shoulder with our own troops along our borders of Sabah and Sarawak, in the air and on the high seas, beating back and defeating every attempt that Indonesia has made to invade and disrupt our country.

Probably the most outstanding example to arise from this desire of the Commonwealth countries to help one another is the Colombo Plan, a scheme which has been so successful that today it extends to others outside the Commonwealth. This great Plan is designed to prove a channel for the "haves" to help the "have-nots". Malaysia is proud to be both a contributor and receiver member of the Plan.

THE BOY SCOUT MOVEMENT

SPEARHEAD FOR YOUTH TRAINING

"The youth of today need to be properly equipped to be leaders of tomorrow," said Tun Razak at the fourth Far East Scout Conference in December, 1964. He said that the Scout Movement was a sound spearhead for youth training in any country.

One of the advantages of being a Deputy Prime Minister, is that I always make the second speech; I can therefore have the last word over my Prime Minister.

I believe the Tunku told you that he, in his early youth, had been a Boy Scout but he did not elaborate on his scouting career.

I have, therefore, done a little research into the scouting days of our Prime Minister because I believe you say that "Once a Scout always a Scout."

I have been checking up on the Scout law which says that a Scout is trusty, loyal, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, brave, clean and reverent.

I think that our Prime Minister has retained all these qualities throughout his life except perhaps nowadays he does not need to be obedient, and he certainly is not very thrifty at race meetings.

Otherwise, he is still a good Scout; certainly a cheerful one.

I was told a story about the Tunku and his daily good deed as a young Scout.

He was asked one day by his Scout Master if he did a good deed every day and his reported reply was, "Yes Sir, yesterday I visited my Aunt in her house some miles away in Alor Star and she was very glad."

"That was my good deed for yesterday."

"Today, I left her in peace and came back home. She was even more glad at me not disturbing her any more."

"That was my good need for today."

That is what I like about democracy, we can even say what we like about our Prime Minister! And being a cheerful Scout he does not mind.

However, to be more serious, I think that it has been a great honour for our country for you to hold your conference here in our capital.

In your daily contact with Malaysians everywhere here, you will have realised that we are a friendly and peace-loving nation, and we believe that it is only on this interchange of friendship and goodwill, the future peace of the world depends.

Many conferences that I have attended have been defined as follows: "A conference is a meeting at which people talk about the things they should be doing, instead of getting on with the job and actually doing them."

I am sure, that this definition does not apply to your conference because I can see from the subjects and papers which you have discussed, considerable benefit will be achieved, for the future progress of Scouting.

I am particularly interested in one or two points which have arisen in your conference. The first point, mentioned in the Keynote address by Mr Nichols, that the pattern of our society is changing from day to day, and that you must make a full review of your scouting programme in order to compete with other youth activities and present-day attractions and distractions to which our young children are continually subject to.

I have four sons myself. Sometimes I wish I had four daughters instead but it is unfortunately too late to change!

And speaking as a father, I would like to see an injection of new energy and new imaginative ideas into the Scout movement. with programmes of exploration, out-door life and training in self-reliance, so that our children are completely absorbed, during their spare time, and school holidays, in manly pursuits and activities which will fit them for their life ahead.

I feel that, in this modern world, if we are going to equip the youth of today, to be leaders of tomorrow, a more definite, a more imaginative youth training programme is essential in every country, particularly in the countries of this South-east Asian region.

I realise, however, that in carrying out a programme of camping, jungle exploration, and other strenuous physical activities, you scouters sometimes have difficulty in persuading parents to allow

their children to participate. The fathers are generally willing but the mothers tend to over-pamper their young sons.

I heard a story the other day of a Scout Camp when, during the first morning, the Scout-Master was carrying out a kit inspection and, in going through the kit of one particularly young Scout, found all sorts of extra things such as umbrellas, hot water bottles and other things packed into the young fellow's kit bag. The Scout-Master got annoyed and told him that he should not have brought all those things which were indicative of a soft, town life. The little Scout looked up into the Scout Master's face and said, "Sir, didn't you ever have a mother too!"

I do sincerely feel that the Scout Movement is a sound spear-head for youth training in our various countries. It has been mentioned, in the Keynote address that one of your difficulties, is the training of dedicated staff and instructors, and another problem, is that of finance and the raising of funds. Like every-thing else in this world which we do, we tend to become set in our ways, and follow the same practice year by year, and this applies equally to fund-raising. In my opinion, it is a matter which requires serious and imaginative thought in order to extract from the public the maximum contribution.

A POTENTIAL FORCE FOR GOOD

As I stand here now, I face a potential force which is greater than the combined strength of the armies of Napoleon, Alexander the Great, and Hitler. This great potential force for good, in the ranks of the womanhood of Asia, has been recognised by some of the outstanding leaders of our time. The great Mahatma Gandhi, ... if I may quote his own words, said . . . . "I am firmly of the opinion that India's salvation depends on the sacrifice and enlightenment of our women".

In Malaya, we too have always recognised the importance of the part to be played by women in our task of nation-building, and I should like to take this opportunity today of thanking the women of Malaya for the great support and contribution which they are giving towards our National Development Programme.

—Tun Razak said this at the Asian Regional Seminar of Associated Country Women of the World in Kuala Lumpur.

THIS IS HIS BIRTHDAY WISH

CONTINUED MAINTENANCE OF NATIONAL SOLIDARITY AND GOODWILL

On the occasion of his 46th birthday in 1968 Tun Razak expressed his birthday wish as a prayer for the continued maintenance and strengthening of national solidarity and goodwill among the multi-racial and multi-religious people of Malaysia. He recounted his personal belief that there could be no social equality unless there were equal opportunities for advancement for everybody.

What I am today has been largely due to the co-operation and help I receive from my colleagues, aides, government servants and the support I always get from the people of various races in our country. It has been a real pleasure to serve the country and Malaysians of all races with all I have.

I look forward to continue serving our people for as long as I am wanted by the Alliance Party, the UMNO and the people of this country.

I have been asked what is my birthday wish today. I do not ask nor wish for very much, not even on my birthday. What I am asking now is in fact my daily prayer—the continued maintenance and strengthening of national solidarity and goodwill among our multi-racial and multi-religious people. Malaysia's record in racial tolerance and goodwill has few parallels in modern history; so let us resolve to keep this record and strive to improve it.

We will not be true to ourselves if we do not at the same time admit that as we strive along towards one nationhood, one loyalty and one country, we are being continually faced by many sensitive issues. But given the time and patience, adjustments and readjustments will and must be made from time to time until all barriers and prejudices which now separate our people are cast aside. This necessarily takes a long time.

We have attained some results in our twin duties to help our people. We have and will continue to concentrate a great deal of

our efforts in redressing the economic and social imbalance and help vitalise our society, because I personally believe that there can be no social equality unless there are equal opportunities for advancement for everybody. When there is social justice and equality only then can there really exist a just society for all Malaysians.

I would like to reiterate today what I have said before so that all Malaysians of various racial origins will fully understand this, that the Alliance Government has no intention now or in the future, to deny anyone opportunities for his own betterment. Rather it is our firm belief that we should help to extend these opportunities to all those who have been denied them.

TUN TAN CHENG LOCK SET THE EXAMPLE FOR MALAYSIANS

The example that the late Tun Tan Cheng Lock, the first President and founder of the Malayan Chinese Association, had set by his way of life, by his deeds and by his actions was recalled by Tun Razak when he declared open the Tun Tan Cheng Lock Mansions (Low-Cost Housing) at Jalan Loke Yew, Kuala Lumpur. He expressed the hope that "every home in this large block of flats will be turned into a happy Malaysian home in the true spirit of Tun Tan Cheng Lock's own example."

One of the main problems confronting our nation's capital, Kuala Lumpur, and to a lesser extent other large towns, is the eradication of squatter settlements which have become more and more numerous in recent years. To a large extent this state of affairs is the legacy of the Emergency during which time there was a substantial drift of the rural population to the urban areas.

In the first place the squatter and "drift to town" problem has been corrected to a considerable extent by the Alliance Government's Rural Development Programme which has helped to stop

the drift to the towns by regenerating and revitalising the rural economy and so making life in the rural areas as equally attractive as life in the towns and by giving the rural dweller a chance to enjoy as high a standard of living of his own land as he would be able to enjoy living in the urban areas.

Considerable progress has already been made to alleviate the housing shortage in our main towns and it is estimated that about $850 million was invested in housing during the last five years by both the public and private sectors.



Tun Razak is unveiling the plaque to declare open the Tun Tan Cheng Lock Mansions—low-cost flats—at Jalan Loke Yew, Kuala Lumpur, on 18th April, 1966.

Low-cost housing is one of the major efforts of my Government and is given a prominent place in the First Malaysia Development Plan with particular emphasis to promote the welfare and better conditions of living of the lower income groups.

In addition to this expenditure for housing public employees over the next five years will be in the region of approximately $25 million. Our Development Plan enables an intensified phase

of housing development to take place so that the most immediate problems posed by the present housing shortage will be met.

The provision of more and more houses for our people, particularly those of the lower income groups is, to a certain extent, a Government responsibility which my Government in this present First Malaysia Plan are tackling with vigour and with urgency of action.

But the provision of a house in itself is only the first stage in the development of a strong, stable and happy nation. More important is the provision of a good home and that is why today it is most appropriate that this project, of providing more Malaysian homes in our Federal Capital, is named after one of our most distinguished Malaysians who unfortunately is not here with us in person because he is no longer alive but he is nevertheless with us in our hearts and very deeply remains in our memories.

Tun Tan Cheng Lock was at heart a true Malaysian and his way of life, his deeds, his actions, and particularly the way he ran his home and family, is and always will be an example to us all of what the true Malaysian home should be like.

I feel it appropriate, as I stand here today to open these future Malaysian homes, that I should do so immediately on my return from Malacca which was the home of Tun Tan Cheng Lock.

And to anyone who has doubt about the blending of our various races and cultures which comprise Malaysia I suggest to them that they pay a visit to one hundred and one Jalan Cheng Lock in Malacca and see his home, which is a striking example of the perfect blend of the various cultures and traditions which are truly Malaysian in spirit.

It was within his historic home that Tunku, our Prime Minister and other national leaders planned not only the movement for the Independence of Malaya but also created the design of a multi-racial Malaya which envisaged our future nation as a happy, progressive place and the blending of our various races, communities and cultures living in co-operation and harmony as a happy and prosperous country.

Harmony and understanding is first thought of in the home and it is my hope that each and every house in this large block of flats will be turned into a happy Malaysian home in the true spirit of Tun Tan Cheng Lock's own example and also that the many children yet to be born in these homes here will grow up as true Malaysians, irrespective of their racial origin and make their contribution to the unity of future Malaysia.

"DEVELOPMENT IS A TRUST"

The development of our country, one might say, is a trust which is shown between the Government and you, as individuals. The Government can plan and undertake a limited number of projects, but the real development of the nation automatically rests with young people like yourselves in the skills which you can give and in the effort which you put forward to take advantage of these opportunities.

The Government is providing you an opportunity here for training. If you have the determination to take advantage of this opportunity you will be able to make an important contribution to the development of our country. Should you view this opportunity merely as a right to a better job you will misunderstand the purpose of this school. When you finish your schooling, you will be better able to take advantage of the many industrial undertakings that exist in the country.

Should you grasp this opportunity with energy and determination the industrial development programme of our country will go forward. Should you accept the training programme as giving you a right to a better job rather than as an opportunity to be of greater service to your country, you will do yourself and our country a disservice.

—Tun Razak to RIDA Students in 1962.

AFTER-DINNER SPEECHES

"GOD CREATED THE EARTH BUT DUTCHMEN CREATED HOLLAND"

At a dinner on 8th July, 1968, in Kuala Lumpur in honour of Dr Luns, the Minister of Foreign Affairs, the Netherlands, Tun Razak paid a glowing tribute "to the indefatigable capacity of the Dutch people to drive themselves to the utmost in whatever sphere of activities that they are committed." He added, "It is something which we in Malaysia could well emulate." Parts of his speech follow.

Your Excellency, may I say sincerely how much I enjoyed my visits to your great country, to see your beautiful and tranquil water-ways in the country-side, but these do not entirely reflect the real character of the Dutch people who are renowned for their energy and industry.

I really admire the people of your country, which, though it is somewhat water-logged, does in no way deter their energy and their ingenuity to make it a prosperous and thriving nation.

From this large area of reclaimed land, which I believe in the Netherlands you call "the Polders" your people have enriched the world with your industrial and agricultural produce, and you have gladdened and brightened the world with your Tulips and other flowers.

Not only this, you have made good use by your energies, by turning the water which used to be your greatest enemy into one of the world's best friends, Gin, Snapps and all the other delightful liquors made in Holland.

As you yourself said, when I was in your country, "God created the earth, but Dutchmen created Holland."

I heard a story which I think reflects the typical attitude towards hard work which is a national characteristic of your people.

There was a Dutch immigrant farmer in the United States who was being examined for naturalisation as an American citizen.

He was asked, "Who was the President, and Vice President of the United States?"—and he *answered correctly.*

Then he was asked, "Would *you* like to be the President?" to which he replied. "*No, Never !*"

His examiner asked him, "Why not?", and he replied, "Because I am *so busy* at my work on my farm all day and night that I could not possibly have time to take on the duties of President as well!"

This, to my mind, typifies the industrious and energetic attitude of your people.

Your Excellency, your country which has a tremendous tradition and historic record in the world of progress, is one which I have always admired. My recent visit to the Netherlands, has impressed me even more. Tonight, we have with us, you, Dr Luns, embodying all the impulses and talents that made your country among the foremost in Europe; and you as an eminent man gifted with both talent and wit, an internationalist of great renown—having been Foreign Minister of your great country for 16 years.

This is something which we Ministers in this country strive to learn; that is, how to remain in office *uninterrupted* for so long. You told me that the way to continue to remain in office is to make yourself absolutely, utterly and completely indispensable!

The question is how to do this in a Democracy, when your fate precariously hangs at regular intervals on a string of ballot paper crosses!

It is a pity that you are not a registered voter in Malaysia; otherwise, you can help to make the Alliance Government, absolutely, utterly and completely indispensable, by helping us apply your philosophy and practice of "indispensability!"

Your extra vote would be most useful to us with elections just around the corner! However, if we cannot have this extra vote, extra financial aid would do just as well!

I would like to say here, Dr Luns, how much we appreciate the assistance your country has given us so far and as a Member of the Aid Malaysia Club, you have promised to give us further aid.

You have just been to our great neighbour Indonesia, where you have decided to give whatever aid you can. While we appreciate this gesture towards our close and friendly neighbour, I hope you will not forget us!

Your Excellency, as I told you when I visited your country, you will find in your visit here that Holland and Malaysia have many things in common.

We are both a democratic country, a monarchy, and we value and cherish our freedom and democratic way of life. Like your country Holland, Malaysia is a small nation. Our greatest wish is to live in peace with all nations. We are not against anyone, against any system of Government or against any ideology, we want *to be friends with* everyone *who wants to be friends with us.*

However, we have in our midst a small section of people here who have resorted to armed rebellion and whose sole aim is to destroy our democracy and our democratic way of life. On our part we are determined to do everything in our power to resist them and to destroy them because the overwhelming majority of our people want to live in peace and harmony, not only among themselves, but with the rest of the world.

Your Excellency, as you well know, we are a young nation. Though we have a long history, we have only been independent for 11 years. During these 11 years, we have endeavoured to do what we can to develop our country together with our people and to attain a measure of peace and happiness so that they will enjoy the fruits of our Independence.

Despite the many problems we have to face—the usual teething troubles of a young nation, the efforts of our enemies from within and without—we have done everything possible to expand our economy to increase the income of our people and to give them the amenities of life necessary for a decent and a civilized society.

However, Your Excellency, 11 years is a short period for any country to achieve real progress. There is still much to be done. That is why we look towards the developed countries of the West, our friends, such as you, to help us in accelerating further the rate of our economy.

The lowering of the price of rubber has affected our economy very badly. I do hope that our other products through our economic diversification policy, such as oil palm, pepper, pineapples, and other crops will be able to find market in the developed countries of Europe.

Although we say we need aid, more than that we need trade. We need our friends in the developed countries to show faith in us—in our democratic way of life.

Your Excellency, we are faced with challenging problems—the security of our border where our enemies are lurking around to shoot at our soldiers and our policemen, the economic stability of our country, and the peace and harmony of our multi-racial society.

As a sovereign and independent nation, we are determined to roll our sleeves and toil with our sweat. We are confident that if we are left alone to pursue our way of life, we will be able to achieve the goal of peace and security for our country and happiness and prosperity for our people.

I gathered on my visit to Holland that your idea of relaxation, your idea of a good time, is to get deep into "the thick of things" and that you are happiest when you are right in the centre of the tempest of present-day events.

I believe in America they call your favourite place—"the eye of the hurricane."

The great Greek philosopher Epicurus said that "Skilful pilots gain their reputations from storms and tempests".

You are living proof of the truth of this philosophy!

I hope therefore that with your skill as a statesman and diplomat, together with your "ship-load of sense of humour" you will help us to pilot South-East Asia out of the present storm which besets this part of the world.

Let us all realize that the ideals of freedom and Parliamentary Democracy on which we stand and which we firmly believe in, are the only ideals which can serve the true interests of our people and of our country. Let us dedicate ourselves to defend those ideals. Let this victory over Communism be a starting point on which to build yet a better and more prosperous Persekutuan Tanah Melayu.

— *Tun Razak in opening the Emergency Exhibition in Kuala Lumpur on 1st August, 1966.*

SCIENTIFIC RESEARCH COUNCIL GETS GOVERNMENT BACKING

Speaking at a dinner for scientists attending the Symposium on Scientific and Technological Research in Kuala Lumpur on 3rd February, 1967, Tun Razak pledged early Government action for setting up, as soon as possible, a National Scientific Research Council.

I am surprised that you, some hundred scientists have, at the culmination of your successful Symposium, invited me, *a politician* to be your guest at dinner tonight, because, in most countries in the world, scientists have a *silent contempt* for politicians!

Historically, I believe this contempt dates back to the time that scientists invented an *aeroplane* that could travel *faster than sound*, but now things are *equal* because there are in the world today politicians who can make *sound* travel *faster* than *aeroplanes*!

Secondly, the scientific approach to politicians is that they are *not* infallible. So, let us get the record straight! If the politician is not infallible, neither is a scientist!

Let me quote you an example of the non-infallibility of science.

I understand, recently there was a computer, or what you might call an *electronic brain* invented by scientists in America. This machine was designed to translate at speed any given sentence, in any language, into any other language!

When it was tested, the intention was to feed in an English sentence, convert it into Russian, and finally retranslate it into our national language, Malay.

The words fed into this electronic brain was a well-known English expression: "The spirit is willing but the flesh is weak."

When the final result came out of this computer, and this shows where scientists can make mistakes, the translation of this expression in Malay came out like this: "*Vodka* bagus, akan tetapi, *daging* busoh!"

Therefore, gentlemen, let us start this evening on the understanding that both the politician and the scientist—we have one thing in common,—neither of us are infallible!

In fact, there is a similarity between our functions.

The role of the scientist is to harness the forces of science, the forces of nature and the advanced knowledge of technology to make the world a better place for our people to live in.

Similarly, the rule of the politician is to harness the opinions, the thinking and the energies of our people in order to make the fullest use of the discoveries of science, so that we can go forward—scientists, politicians, and our people, towards a better way of life, a better world, better in every respect than was enjoyed by our fore-fathers.

Let me enlarge on this theme. Our aim, in modern Malaysia, whether we be scientists or politicians or the ordinary layman in the street, must be to make, to harness, and to use, to the *fullest extent*, the most modern knowledge available in the world for the benefit of our people.

I firmly believe that although both Malaysia and Singapore are young nations, there is nevertheless, a tremendous future for us and a great future for our children and grandchildren provided we view the process of development in a modern context. That modern context, to my mind, is the ability to make the fullest use of new discoveries and modern ideas, the results of research, and apply them to our development and to our way of life.

This does not mean that we entirely discard the past, but it does mean that we analyse the traditions of the past and accept and retain such traditional ideas which are still of value, and at the same time, superimpose on our traditions of the past, a new layer, a new blood and a new thinking which can be only derived from scientific research.

This, your second successful Symposium, is a very definite step in the right direction towards the achievement of making the maximum use of science, in so much that in your meetings, over the last few days, research workers in both the academic field, and in government came together, discussed together, thought together and exchanged views and ideas together.

Research workers in the academic field, more often than not, concentrate on the basic or fundamental aspects of Science, while those engaged in *government* service and *private industry* tend to be more *applied* in their research and more concerned with immediate application of their research results.

The bringing together of representatives in these two fields is a double advantage, in that University research workers can guage the most appropriate fields for long-term study which could lead eventually to practical applications in our environment, and their studies in this field will also influence the nature of their teaching which they pass on to their students. Applied scientists working in other sectors, in turn are able to enlarge their thinking, better appreciate their individual contributions to the total research academics of the country and relate their work to the longer term research projects which *only* the academic scientist is often able to pursue.

Although a layman, I now appreciate not only the value of such a symposium, but also the need for turning this sort of thing into something more permanent in the form of a National Scientific Research Council. Such a Council would, I hope, become part of the driving force of modern Malaysia and help us to put to the fullest use for the development of our country, the latest discoveries and up-to-date knowledge of science.

I firmly believe that a developing nation such as Malaysia can, by applying the most modern methods and knowledge available to it, skip a few generations and catch up with the so-called developed and matured nations of the world. However, we cannot, with the greatest stretch of imagination, expect to develop quickly if we plod on with old ways, old ideas and old methods. We have got to utilise our scientists. We have got to make the fullest use of *all*, I repeat *all*, scientific knowledge available to us.

But, to achieve this, we have got to aim firstly, at more cohesive thinking. The instrument of such cohesive thinking is in fact, a National Scientific Research Council which can channel new thoughts and new ideas on scientific progress both to our government and to our people.

Although you have not turned me into a scientist, you have turned me into a *"Catalyst"*, and I pledge myself before you tonight to make myself the main catalyst in precipitating both action and reaction on government support for setting up as soon as possible a National Scientific Research Council.

I can foresee the advantages to our nation both in the field of international co-ordination, national development, economy in

scientific efforts and obtaining maximum use of our natural resources. All these aspects are of tremendous value for direct application of scientific knowledge to our problems and the maximum dedicated utilisation of scientific manpower.

I have no doubt in my mind as to what is in fact the first most immediate priority in our country which needs the application of the best scientific brains and the utilisation of the best scientific knowledge in the world, and that is the application of science to one of our greatest national problems at the present time is the problem of preventing disastrous flooding so that our people, particularly in the East Coast States, can live a peaceful and prosperous life without the perennial fear of flood disaster.

AN EXAMPLE TO THE WORLD

Merdeka Day is our National Day. Let us have pride in our nation, but let us ever guard against developing a narrow nationalism which, when fired with too much emotion, could blunt the quality of tolerance and friendship with other free nations, and thus detract from the peace and tranquility of the world. Malaya has already, since independence, achieved a world-wide reputation for tolerance—tolerance of religion, and tolerance of inter-racial relationships . . . . . We in Malaya have proved, in fact, and in practice, that the inter-mixture and co-operation of races which contributes towards the true Malayan nation give us our strength and are therefore an asset and not a liability. Let us always remember this so that we may remain as an example to the world—a world which is steadily progressing out of the dark clouds of social defects into a shining future of international tolerance, peace and goodwill.

—Tun Razak in a message on the occasion of Merdeka Day on 31st August, 1962.

AND THEN A PRAYER . . .

In the course of an extremely humorous speech at a dinner given by the Students Union of Singapore University at the Rosee D'or in July 1965, Tun Razak said:

Some of us, politicians, are sincere, and fairly humble people, although occasionally our public image is distorted by the Press and by our opponents.

I am extremely happy, and I mean this sincerely, to be able to meet you all here tonight, for the second time not so much the first time, earlier in the evening, when I was *stuck up* on a stage like one of your lecturers, like a Member of your Faculty!

I am happy to be here with you in the Rosee D'or, where we can relax and make use of our *other faculties* which are much more *pleasant faculties* than those in your campus!

I am not being insulting to your professors or lecturers!

All I am saying is, that if I had to finish my speech with a prayer, I would say, "God give us good faculties in our Universities to teach us to learn and to be better and more intelligent people."

I would also add:

God give us the finest faculties necessary for a happy Malaysia!

— the faculty of knowing how to enjoy life,
— the faculty to be able to mix with each other,
— the faculty to be friendly to our fellowmen (and women!)

and — the faculty to preserve our freedom as free Malaysians!

My only wish—you may call it a birthday wish if you like—is to see the country progress and to see all races live in friendship and goodwill.

— *Tun Razak on the eve of his 47th birthday on March 11, 1969.*

THE LANGUAGE PROBLEM AND THE AMERICAN EXAMPLE

The common bond of the American language was referred to by Tun Razak as the main factor that united the original immigrants to the United States into one nation, speaking one language. What follows is his speech to the American Association of Malaya in 1963 just before his departure for the U.S. After a few introductory humorous remarks he said:

You need have no fears that I have misunderstandings about your country before my visit. I do know that wrong stories about the United States have got around the world and that as a nation you have been misunderstood.

The very fact that I am speaking to you, and you are listening, disproves the misconception that there are no silent Americans. Also, I heard of a case the other day. A school-boy in one of our schools studying American history was asked by his teacher,

"What distinguished George Washington from all other American Politicians!"

The little boy replied:

"George Washington never told a lie".

Another thing I discovered about your country when I was studying law in England. The English have a law to prevent a man from marrying his mother-in-law!

In America there is no such law. I understand you do not need one.

The worst misunderstanding and misconception I have heard of is that of the Scotsman, on his first visit to America. Having heard you were the most generous nation in the world, he was dining with a millionnaire who poured himself out a large glass of whisky and raised it towards the expectant Scot, saying, "Here's to you".

The Scot was just about to take the glass from him when the millionnaire drank it himself.

Most unfair; you cannot blame the world for such misunderstandings, because even when two people from different nations talk the same language they can still be misunderstood.

Take for example myself, when I go to the United States. I shall speak to all Americans I meet in a language I understand to be called English but I believe that in the United States you call English "the universal language", spoken throughout the world correctly except in two places, England and Boston!

However, I have no fear of being misunderstood at the White House when I talk to many top-ranking Members of your Government because I understand that my English is more akin to that spoken in Boston!

Outside your State Department, however, I shall have to remember a certain amount of new vocabulary; that a lift is an elevator; that I cannot have my shoes polished, they must be shined; and that a taxi cab-driver in New York is a taxidermatologist because they always skin their passengers.

However, Ladies and Gentlemen, I am sure that after my visit to the United States I will return to Malaya with the same confidence as the American, who returned to Texas after a holiday in Paris.

He was asked by his friends,

"Did you have any trouble with your French?"

He replied, in true Texan style:

"Say, no!—I had no trouble with my French. I guess the only people who had trouble with my French were the French!"

However, on a more serious note, perhaps it would be appropriate if I explain to you the reason behind the Malayan Government's intention in stressing the use of the National Language.

I have heard, from time to time, and from place to place, slight criticism because people have misunderstood why we are pressing, in Malaya, the use of the National Language.

It is not an attempt to follow a path of narrow nationalism, neither is it an attempt to stop the use of what you call the universal language which is essential for technical and higher education.

The reason that we stress the teaching and learning of our National Language can be better understood by people from the United States than from people anywhere else in the world.

The original immigrants to your country came from many countries in the world and, I believe, lived in some cases, in their own communal groups.

If they came from Sweden they probably persisted in speaking Swedish for some time; or from Denmark, speaking Danish. But the one thing as I see it that really helps to unite you as a truly United States was the common bond of the American language.

And so it is and it will be, both with Malaya and Malaysia which comprises many racial groups and many different communities with different customs and different languages.

There must be a bridge of communication, so that Chinese can talk freely to Malays, Malays can talk freely to Indians and Indians can talk freely to Ibans and so on.

Not only be able to talk, but also to understand each other; and the best method of achieving this complete understanding is to have one language.

It does not mean, however, that other languages cannot and will not be used in Malaysia.

Talking of Malaysia, I think there is a great similarity between the concept of Malaysia and the concept of your country, the United States of America.

I have heard a definition of a true American as a "man who argues a tremendous lot about the Constitution although he has never read it".

Similarly, there are a lot of people who talk against Malaysia without really understanding what it means.

Our first task in forming Malaysia is to make sure that everyone has a clear understanding of what we are trying to achieve so that we may start on a framework free from fear and doubt.

Fears have existed in each of the territories concerned and in each section of our various communities that the formation of Malaysia would be an economic drain on the resources of Malaya and would affect the impetus of both our development programme here in Malaya and that of each of the other territories.

I think that these doubts have arisen in the minds of those who have not a clear picture of the concept of Malaysia.

The real concept is this: that Malaya itself is a country with considerable development potential in the form of natural resources, both material and human.

Sabah, Sarawak, Brunei and Singapore are four territories each with their considerable economic resources and development potential.

Therefore, it is logical and it is an undeniable fact that the coming together of these five territories, their harnessing into one viable whole, their economic resources, and the combination of concentrated efforts towards progress and development of Malaysia will result in definite gains to each territory concerned and will give a greater impetus to our present development programmes which are already well under way.

There is no need for me to prove this point at length.

I am sure that history will prove it as American history has already proved it.

Even the State of Texas, if it were independent and on its own separate from the rest of your States, could never have achieved its present success of development if it had struggled along on its own; and I doubt very much if an Independent Texas would ever have been referred to as "God's Own Country".

Some of you here today who were in Malaya before the formation of the present Federation of Malaya will remember, that the same doubts and fears existed before we achieved Independence.

Each State felt that they were giving up too much to the Federation without receiving sufficient in return.

I know this fact because at that particular time I was the Mentri Besar or Chief Minister of a State and was as equally isolated and sceptical in my thinking as anyone else, full of ideas and anxieties to protect the individual interests of my State. A matter of days later, after the first National Elections, I was on the other side of the fence as a Federal Minister.

Now, looking back on these days and remembering the similar doubts and fears which existed before Merdeka, it is incredible to see how soon they were forgotten and events have proved, in the form of tangible progress, that the concept of Malaya under

our present Constitution was correct, that our system of Federation with a strong Central Government was correct, and that it worked well in practice.

So with Malaysia, the concept is logical and the same principles and practice will prove right and correct.

In other words, the teething troubles which we already experienced before and after the birth of an independent Malaya are no different to the teething troubles which we can expect in the first few years after the birth of Malaysia.

I hope that in a hundred years to come tourists from America will be able to come to the museums of Malaysia and see proof and relics of our battle for an Independent Malaysia.

Much as I dislike pen and paper work I am sure that these museums will tell a different story from your military museums in the United States because, in spite of occasional political speeches, I believe that at heart every politician in the world fervently wishes peace and our museums of the future will show that independence was achieved by the pen and that the real hero is probably a Legal Draftsman well-versed in the knowledge of justice and the law.

Therefore, it seems to me now the most important task for all of us and indeed our first task is to help everyone to fully understand the correct concept of Malaysia.

It is essential that in doing so, we can go ahead together on the economic development of the new nation based on a frame- work for the future which spells hope of progress and prosperity.

I think that we should regard that the coming together of these territories for Malaysia is the coming together of people each with their own assets to join a Co-operative Society. The correct operation of that Society must, will, and can be of benefit to the individual members of the Society.

But it should also be remembered that for a Co-operative Society to be a success, to get an advantage from the Society, members must be prepared to give, it is to be a "giving and getting"; there must be give and take, that is the spirit which will make Malaysia and development within Malaysia a success.

In thinking of Malaysia prior to its actual establishment, some people tend to forget what tremendous national energies will be

released which, at present, are either suppressed or non-existent before Independence. Independence will act as a vitamin for the rejuvenation of the whole nation.

We in Malaya have experienced this already and it is the harnessing of this new found vitality which, in my opinion, has helped us to make such strides already since achieving Independence.

In five years as an independent and free nation, we have achieved more and developed more than could be attained in 50 years of rule by a custodian Government.

The vitality of our development plan is proof of this vitamin of Independence. This is one of the greatest hidden potentials in the future development of Malaysia which cannot be accounted for in rates, revenues or tariffs.

In fact, it is the mainspring of an independent and free nation, and it will be the mainspring of a future free Malaysia provided that mainspring takes off from a firm foundation of faith, goodwill and mutual understanding.

This vitamin force of Independence was also the mainspring of the development of your own country and it is the same vitamin you found written into your Constitution when you extract the real meaning from the legal words in which it was written.

However, the object of my speech today is not so much to talk of Constitutions and Malaysia but to assure you that, on the eve of my departure to your country, I do think that I understand the country I am going to and the people who live in it.

This is surely my first duty as a guest to the United States. I shall always remember the words spoken by one of your fellow countrymen, whose name escapes me.

But I remember them because I like them and I feel that if these words could be understood by the whole world then there would be greater understanding of the true American.

I think he said something like this:

"I do not choose to be a common man.
It is my right to be uncommon—if I can.
I seek opportunity—not security.

I do not wish to be a kept citizen, humbled and dulled by having the State look after me.

I want to take the calculated risk; to dream and to build, to fail and to succeed.

I refuse to barter incentive for a dole.

I prefer the challenges of life to the guaranteed existence; the thrill of fulfillment to the stale calm of utopia.

I will not trade freedom for beneficence nor my dignity for a handout.

I will never cower before any master nor bend to any threat.

It is my heritage to stand erect, proud and unafraid; to think and act for myself, enjoy the benefit of my creations and to face the world boldly and say:

This I have done.

All this is what it means to be an American."

That quotation, to my mind, not only sums up America and Americans but also the American way of life as I see it.

I may be wrong but I think that I am right. So you see, Ladies and Gentlemen, I am pretty well briefed for my departure to your country and if you ask me to lunch, on my return, I will give you the opportunity de-briefing me.

Finally, I have no wish to detain you any longer from the main object of today's meeting, which I understand is to have lunch but there is one last thing I would like to say.

I remember some time ago reading a little poem written by a school girl which I will now read to you—

"I thought that foreign children
Lived far, far, far away,
Until I got a letter from a boy in U.S.A.
'Dear little foreign friend,' it said
As plainly as could be.
Now I wonder who is 'foreign'—
The other child or me?".

I go to America with the full confidence that neither Malaysia nor the Malaysian people whom I represent are foreign; neither do I feel that I am going to a foreign world.

THE TOAST AT ST. DAVID'S DAY—"KUMREE AM BITH"

Humour was the keynote of the following after dinner speech by Tun Razak at St. David's Day Banquet in Kuala Lumpur on 1st March, 1963.

Firstly, I should like to congratulate your President on his speech which, considering that he delivered it in a language which was foreign to him—English—I think he spoke extremely well!

Also, I think he spoke with considerable self-control because I have always understood when Welshmen make speeches, and get warmed up to their subject, they have the greatest difficulty in not bursting into song.

While talking of your President, I would like to congratulate members of your Society in electing a President who resembles both in physical appearance and in many other ways a famous Welshman who, by the application of his particularly Welsh talent, became not only the prime figure of Wales but also the Prime Minister of England.

Both your President and Mr Lloyd George seem to have one noticeable physical feature in common which you will understand when I remind you of how historians love to group everything into an era of time.

For example, we hear about the pre-Edwardian era of English History. So I think with regard to Welsh history the historians of the future will group both Lloyd George and your President in the same era because of their particular Welsh hair-style, they could be grouped into what might be called the PRE-BRYL-CREAM ERA!

It is fortunate, however, that an unruly mop of hair does not signify an unruly speaker and that although your national aim is eventually Independence for WALES, I am sure that your method of achieving Welsh Merdeka will be by extremely peaceful means; with your country's cultural and musical background, it may be that you will be the first country in the world to sing your way to Independence.

In fact it appears to me that all Welsh national characteristics are peaceful ones. But I cannot, here to-night, praise these Welsh qualities too strongly because to do so I would have to draw

national comparisons, and this might be dangerous in the presence of the Chieftain of Saint Andrew's Society, the President of the Saint George's Society and the representative of the Saint Patrick's Society.

However, I will say this much that before coming here this evening I tried to find out or tried to remember a few stories about Welsh characteristics and although I could remember many, many stories about the Scots, the Irish and the English, written, no doubt, by Welshmen; I found that very few of your national neighbours had been able to write any derogatory stories about Wales.

This is very much to your national credit and might even mean that history will eventually judge Wales as the superior of the four nations which comprise the British Isles.

There is at least one Welshman who has already endorsed this feeling of superiority. I understand he was born in Cardiff; I have forgotten his name, but he followed a successful career as a psychiatrist in Harley Street.

A patient came to his surgery and asked to be psychoanalysed; this patient was an Englishman, a Member of Parliament, who had recently suffered considerable defeat in debate, defeat at the lashings of the tongue of Lloyd George.

As he lay on the psychiatrist's couch he poured out his heart while the psychiatrist took notes of his origin of birth and background.

It transpired that this Englishman came from a long generation of Englishmen and half way through the interview he suddenly sat up and confessed to the psychiatrist saying, "Doctor, I think I know what is wrong with me, I have an inferiority complex".

The psychiatrist, being a true Welshman got carried away with national emotion and forgot, for a moment, his professional ethics and replied, "My dear chap, you are an Englishman; your father was English; your grandfather was English,—you have no inferiority complex—you are just inferior."

I have no wish to stir up racial feeling but in case any of you try to find out who this famous Welsh psychiatrist was you may have difficulty.

The story has it that he adopted the same attitude of Welsh national superiority on a visit to Scotland, and as he was a distinguished name in his own profession, he was invited as the guest of honour at a St. Andrew's dinner, where he had to listen to long speeches on the historical background of Scotland, and, being as he was of superior Welsh intellect, he too had studied the history of Scotland.

In his speech he proved conclusively that the invention of the Kilt was originally a necessity because the brawny Scots had feet which were much too large to get into trouser legs!

I believe he now rests in some graveyard near Edinburgh.

I feel it would be very nice if I were able to say a few words to you in Welsh, your national language but I really haven't the courage to try to do so because I remember the story of an American who was touring Wales and had taken considerable trouble to learn a few words of Welsh and he arrived at a hotel and was shown his room by the manager with courtesy, kindness and typical Welsh hospitality.

He saw, on the floor, a small carpet on which was written, in large letters, the words "TAM HTAB".

He studied these words and then turned round to his host with a smile and said, "Ah, "TAM HTAB" how very nice of you to have, in my room, a carpet with the word "Welcome" written in Welsh".

The hotel manager was slightly embarrassed and said, "No, Sir, I am sorry. That is not Welsh writing; it is merely the "BATH MAT; turned upside down."

Mr President, I was very pleased to be told that the rules of your Society are so drafted that full membership may be enjoyed even by persons who can make no claim to Welsh blood.

This is particularly desirable when I observe Malayans joining your Society because of their close association with the "PRINCIPALITY" during their student years.

Many of them who are now holding responsible positions in our Government Service look back with affection to their stay in such well known Welsh kampongs as ABERYSTWYTH (ABER-IST-WITH).

Finally, Mr President, I should like to wish your new Society the very best for the future and hope that all your future annual dinners on St. David's Day are as full of such good people and such goodwill as we have here to-night.

Before I ask your honoured guests to be up standing and drink a toast, you will forgive me, Mr President, if I address the guests separately, for a moment, and educate them in the correct words they should say when they toast such an occasion.

Fellow Guests, throughout the world the word "MERDEKA" has many interpretations in many languages.

I think the correct words for the toast this evening are "KUMREE AM BITH".

The motto of Rotary is service before self. But it is well to remind ourselves that Rotary does not have, or should not have, a monopoly of it. I say so particularly because in the gigantic task of rural development, in which we are engaged today, the whole nation is being asked, to put service before self. I am confident that if we all go ahead together in the spirit of this motto, if we co-operate and work hard together, we in Malaya will be surrounded by a bright horizon of better living and opportunities for all.

— Tun Razak in reply to the toast of "Our Guests" at Kuala Lumpur Rotary Club dinner on 20th June, 1960.

* * * *

The Government does not want the people to expect it to do everything for them; it wants to create among the people a sense of accomplishment, because everyone knows there is always much greater pleasure and pride to be derived from self-effort.

— Tun Razak's New Year Message on 30th December, 1960.

EDUCATION AND THE PROFESSIONS

THE UNIVERSITY OF MALAYA MEDICAL CENTRE



This $50 million Medical Centre was built with the assistance of an $11.5 million loan from the German Foundation for Developing Countries. The German loan was granted for the installation of various modern equipment for the hospital.

(*See* page 489)

A MALAYSIAN OUTLOOK

CHALLENGE OF MODERN ASIAN HISTORY IS BEING MET BY SCHOLARS

"The future of Asian history touches our own future and we would like the people of Malaysia to see our history more in the context of regional and Asian history", said Tun Abdul Razak when he spoke at the opening ceremony of the fourth international conference on Asian History at the University of Malaya on 5th August, 1968. Important parts of his speech are given here.

I have always been fascinated by history, both by the people who have made history and by the people who have tried to represent the past in scholarly works. As my colleagues and I move from decision to decision every day, I particularly envy the historians who can later study the same events carefully and in a leisurely manner and tell us whether what we did was right or wrong in the light of later events.

I often wish that I have also the time to weigh matters so deliberately and to consider the many more alternative courses of action historians can think of long afterwards. But let me not give you the impression that I do not appreciate post-mortem analysis. Such historical work is obviously of the utmost importance.

Historians enlighten us about our traditions, help us to find our national identity and can point to some of the possibilities and probabilities of the future if their works are read with care and understanding.

It is, therefore, with the greatest pleasure that I welcome the delegates to this 4th International Conference on Asian History. This is the first time that a conference of historians is being held in Malaysia. I see from the programme that a wide variety of themes are to be discussed and a large number of papers, over a hundred, are to be presented. I understand that there are about 100 overseas delegates representing 23 countries gathered here. And particularly noteworthy is that nearly three-quarters of the delegates are from Asia and nearly half of them from Southeast Asia.

I am also delighted to see that so many historians from Europe, the United States, Australia and New Zealand have come from so far away to join the Asian historians in their deliberations. It is clear that the challenge of modern Asian history is being met by scholars all over the world.

What is specially challenging, of course, is the history of the many new nations of Asia which are finding once again their place in world history. Many have been subject to European pressures, if not actual control, for more decades than we like to remember before their freedom and independence movements succeeded after 1945. They often inherited a corpus of colonial or semi-colonial historical writings and have been expected to build their history upon this heritage.

While the earlier scholarship has stimulated, and even assisted, post-colonial history-writing, the historians of the new countries cannot be satisfied simply to add more material to the old framework. What has frequently been found necessary has been to change the framework itself and to make the people of this area remember that they had a history before the Europeans came and will have a history after the Europeans have left. This task, I believe, has been engaging the new generation of historians of Asia, whether they are Asians or not.

Of course, history cannot stop at national history, however important a role it has to play in the nation-building process. No country is an island today and no country's historians should be satisfied with writing about their own country for their own national audiences. We, in Malaysia, for example, are specially conscious of our position in Southeast Asia and would like to play our part in the growth of the study of regional history. We fully recognise that our history is inseparable from the history of our immediate neighbours and that our neighbours' impinges on our own history. In a larger context, our history is linked with that of our neighbours in South Asia and East Asia and more and more so with that of our friends in Australia and New Zealand.

Thus the future of Asian history touches our own future and we would like the people of Malaysia to see our history more in the context of regional and Asian history. To this end, our schools and colleges, and our University, have given much time to teaching and research about Asia, and particularly about Southeast Asia.

I have personally observed this trend with the greatest of interest. I have seen a wide range of developments over the past decade in the learned societies in the country. As the patron of the oldest of these societies, founded ninety years ago, the Malaysian Branch of the Royal Asiatic Society, I have noticed the new kinds of materials and the new points of view which have emerged in the Society's historic journal.

As President of the Malaysian Historical Society, I have seen it grow into an active and vigorous organisation which has been able to provide a new Malaysian outlook about our own past as well as the past of our neighbours. In addition, we in the government have not been idle. We have, through our National Museum and our newly established National Archives, given every opportunity for our ancient as well as our most recent past to be preserved, to be exhibited, to be understood, and not least, to be used and studied with pride.

Only a few weeks ago, at an archivists conference held here in Kuala Lumpur, I was happy to learn that our National Archives has been invited to be the Regional Centre for Southeast Asia. This is evidence that our national endeavours can be of value to regional co-operation and is very encouraging to our efforts to bring our region closer in terms of the region's education, culture and history.

I cannot end without saying a few words about our university. It has grown rapidly and the campus is now a really lively centre for the young people of Malaysia to learn about themselves and about the world around them. The History Department in the University has grown from the 100 or so students in 1959 to the present figure of more than 800 students. These students, after graduation, have provided the country not only with administrators, diplomats, teachers and other professional men but also with an increasingly large group of historians.

From these young historians, I hope to see the foundations being laid for a new history of Malaysia, especially, a new history which places Malaysia squarely in the context of the history of our region. I have noted that the history department works closely with the schools and that the department has succeeded in bringing together many of the teachers in the schools into a History Teachers Association which hopes to stimulate lively history

teaching at various levels of education. Its journal, the Peninjau Sejarah, is already making a considerable impact in the secondary schools throughout the country.

Finally, I should add that we are now exploring new methods and organisations to increase historical consciousness in Malaysia. We are interested in the systematic preservation of our historical sites, in some kind of national trust to see that our past buildings and monuments are not forgotten and, most of all, in an organisation which will directly support and encourage historical research in the country. This last, we hope, may lead to some kind of institute of historical studies which will bring together all Malaysians who love the history of our country.

As you know, in our short history, we had to face two troubled times—the Emergency or the Communist rebellion, and then, the unfortunate Indonesian Confrontation. The 12-year old armed rebellion by the Communists against the Government officially ended on July 31, 1960.

Five days ago, 31st July, starting this year, was declared as "Hari Pemuda" or Youth Day. From now on the ending of the Emergency will be celebrated and remembered as an occasion when the Malaysian youth will hold rallies to pledge and dedicate themselves to serve the nation and to bring progress and prosperity to our country. Although the militant Communist terrorism was defeated on the battle-field, the threat still remains and the remnants of the terrorists are still endeavouring to revive their armed rebellion against the Government and the people of this country. They are still continuing with their activities of subversion and infiltration. However, we are confident that with the support and co-operation of the law-abiding citizens of our country, the Government will eventually be able to rid our people of this menace.

Our Armed Forces and Police are continually on the look-out for these terrorists and continually patrolling our borders and our coast-lines. We Malaysians value our freedom and our democratic way of life and are prepared and ready to lay down our lives in the defence of our independence and our sovereignty and in the principle of democracy which we strongly uphold.

Ladies and Gentlemen, in early 1961, the then Federation of Malaya Government thought it necessary to sponsor the writing

and publication of the History of the Emergency. The Government considered that such an official history will be an invaluable source of information for historians and students of Government and administration, and also for students of communism, guerilla warfare, subversion and infiltration. The unique success of Malaysia's efforts in crushing the militant efforts of the foreign-inspired Communist Party to secure the control of the State contains lessons of fundamental importance for all nations seeking to combat the threat of militant Communism, either by aggression or subversion.

Ladies and Gentlemen, I hope you forgive me for having said so much about what we are trying to do or have done for Malaysian history. That we should do justice to our own history before we embark fully on the study of other peoples' histories seems quite a natural thing to do. However, this does not mean that we are neglecting our region or our continent of Asia. On the contrary, we have never stopped being aware and being really proud of being in Asia and in Southeast Asia. Whatever influences we might have on our way of life and on our society as a result of Colonial domination, we must always realise that we belong to this region of Asia and must be proud of being Southeast Asians. We must, therefore, join hands together to spur greater awareness among the peoples of this region of the desirability of co-operation and unity in our search for progress and the peace and stability of Southeast Asia and Asia.

What we do for our own history is done with the conviction that what we have in Asia, and especially in Southeast Asia, and that what we learn about ourselves will contribute towards Asian and Southeast Asian history. And if we should do our own job well and firmly place our history where it rightfully belongs in Asia, we will surely be doing our little bit towards bringing Asia closer together. By understanding ourselves better in the framework of being proudly part of Asia, I am convinced we are ultimately helping to make Asian history all the more meaningful not only to Asians but also to other peoples throughout the world.

After referring briefly to the Philippine claim to Sabah and the Ministerial meeting of ASEAN, Tun Razak said, "It is the duty of all of us to see that nothing is done to prejudice the good work of this important organisation. Let us see that co-operation and friendship among Asians in this region are continuously enhanced and strengthened.

Ladies and Gentlemen, you are all gathered here under the auspices of the International Association of Historians of Asia, to learn more about one another's history and I hope you will be meeting again and again under the same auspices in various parts of Asia.

Thank you.

"THE RIGHT APTITUDE"

HOW TO DECIDE CAREERS FOR YOUTH

"The correct career for any young Malaysian should and must be decided not by the availability of courses but by personal aptitudes to accept and follow an academic discipline in applying his own particular aptitude and ability." This advice was offered by Tun Razak when he spoke at the Symposium of Technical Association of Malaysia at Alor Star on January 5th, 1968. He went on to say that half the battle of life in our daily work is to do the job for which we have the right aptitude.

If you look up the Encyclopedia and read the current definition of *"Technocracy";* for example, in the Encyclopedia Britannica, it is written that "Technocracy" is a *movement* that originated in 1932 with many principles.

It was the fourth principle which worried me, and I will quote it for you word for word—

> "The Economics of the social order of this world are *too* complicated to be understood and controlled by politicians! Control should be placed in the hands of the Engineers and Scientists of the world!"

The presentation of interesting and important papers relating to the many main aspects of the development of our country, has gone further by tying the academic and paper-side of your profession, *to the practical*, by including as part of your programme, a visit to a development project in progress, on the ground, the Muda River Irrigation Scheme.

This proves to me that you as an Association of technical people are not only proficient on paper, but also, have the essential ability to get down to earth; because as I see the future of the

development of our country, Malaysia, this is what we need: "The closing of the gap between theory and practice."

The 14 papers which are to be presented to this Symposium, are written in a way, both interesting and stimulating, and present, not only to those of you attending this Symposium, but also to the public, the manifold mosaic of the factors and problems affecting the development of Malaysia; from human resources to natural resources, from roads to railways, from mining to mass media, from new towns to rural housing, from man and his land to the mechanisation of agriculture, from electricity to telecoms, from paddy to paper and pulp, and although scientists say that you *cannot mix oil* and *water*, I see that you have achieved this in your Symposium by *mixing petroleum, admittedly* produced by Shell!—*with water* produced by the D.I.D.!

Eight years ago, when we established the Ministry of National Development, and I had the responsibility of becoming the Minister of Development, I realised that our country would not achieve progress in the true sense of the word, unless and until we achieve a high standard of both co-operation and co-ordination between the various aspects of the machinery of Government *to work together as a team* towards development.

This is why I set up, in every State and in every District, Development teams with Development Operations Rooms in order to ensure that the administration of the development machinery of our country would work together as a closely knit machine to get on with the job.

I am very happy therefore, to see that the real object of your Association is, in fact, to apply this principle of both co-operation and co-ordination to the technological disciplines, professional, sub-professional and technical in their skills, in all fields of development, which are so vital to the future progress of Malaysia.

We have only a limited amount of funds to put into our Development Programme, and to make the maximum use of the funds available, we have not only to think as a nation, about our financial resources, but we have also to think as to how we are to make the fullest use of our human resources, to learn and to apply the best skills available to push ahead Malaysia along the path of progress.

How are we going to ensure that the best available brains of our young men and women are to be applied to the right profession and skill—essential for our further progress?

What are the factors which influence them in deciding to take up the correct career?

The *correct* career for any young Malaysian should, and must be, decided, not by the availability of courses, either at our own Universities here or overseas, but must be decided by personal aptitudes to accept and follow an academic discipline which is in keeping with an enjoyable way of life in applying *his own particular* aptitude and ability.

I ask the question—

How many Engineers are there;

How many Doctors are there;

How many Lawyers are there;

who went to a place of learning to study a given subject, *not* because it was what they really wanted to do, but because it was the *only course available* at that time!

We must do something about getting the correct *flow* of the right students into the *right* profession; in other words, our young Malaysians, with proper potentials must be correctly channelled into the *right* profession.

How can we ensure this?

I think that three sets of people must do something:

(i) *Parents* must be educated to advise their children to take up the correct profession;

(ii) *Technical Associations* like yours must do more to present the picture of the profession to which you belong, so that our youth can fully understand, and be in a position, before they leave school, to decide on the correct profession;

(iii) *Government*, with the help of parents and Technical Associations, can intensify our present programme of films, radio and television to be listened to, watched, and absorbed, by all students throughout our nation so that our up-and-coming youth can, for themselves, choose the best professions for which, not only are they trained, but they have an in-built aptitude.

After all, half the battle of life in our daily work is to do the job for which we have the right aptitude, and, therefore, enjoy doing it—that is when work becomes a pleasure!

Therefore, I suggest that your Association, together with all the other technical and professional Associations in Malaysia, come together *to produce a joint venture* with Government, particularly, with the Ministry of Information and Broadcasting, to project on the screen, on the air, and on paper, what it means to be a professional Engineer, a Technologist, a Technician, an Architect, a Surveyor and all other professional jobs, so vital to the progress of our country, so that our young students who still have no idea of which profession to adopt, can, with the help of your association, and the resources of audio-visual communication available to Government, be able to decide for themselves what in fact is the best technical qualification to which they can apply their own *latent* ability.

In the field of education, particularly, technical and professional education, the opportunities which exist for further education *do not stop* when one has reached school-leaving age.

It seems to have become a fixed Malaysian attitude that if one's education is arrested at an early age, one has no further *hope* of gaining a professional qualification.

This is not so!

I would like to see *a new attitude* in this year 1968. Among those of our youth, who, by some misfortune, or mis-chance, have had to leave school without fully completing their education, let me give them hope and a slogan!

"You can still *learn* while you earn."

In other words, even though one has left school, and one has still got to earn one's living in some particular job; nevertheless, opportunities exist for further study, at night schools, at Technical Colleges, and other Institutions; it is still possible for *any one* working anywhere in any job, still to acquire *technical* or *professional* qualification, no matter what may be their age!

May I remind the youth of our country that even our Prime Minister passed his Law exams long after he became a mature man!

This is my second, and last message to your Technical Association; to help, and to encourage, those members of your Association who may be, what you call, sub-professional or technicians; they still can, by their *own* efforts, industry, and hard-work, if *they apply themselves* and their brains correctly, achieve a professional qualification; a qualification which *may* have been denied them early in their youth by an accident of family circumstances, but nevertheless, as long as they are alive, is still within reach of human endeavour—provided they work to improve themselves!

WHAT DIPLOMAS MEAN TO BUMIPUTRA

Timely advice on what they should do after they have obtained their diplomas and certificates was given to students by Tun Razak at the MARA Institute of Technology graduation ceremony at Petaling Jaya on 1st December, 1967. He reminded them of the aims of the National Education Programme.

It appears to me that graduation ceremonies seem to occur with more frequency every year. It shows that MARA is in fact fulfilling the aim it was given when launched two years ago!

I am glad to say that as the days go by we are beginning to achieve more and more bumiputra participation in the private sector of our economy, but, nevertheless, in your case, bumiputra participation *does not stop dead on the day* of the presentation of Diplomas and Certificates; bumiputra participation, in fact, means active, efficient and purposeful practice by those of you who have been lucky enough to attend this College, and have acquired knowledge and skills with which you are now equipped, so that you can play a positive part in the commercial and industrial life of our country.

As more and more of you graduate from this College and take your rightful place in the economic development of our country, the happier I and all true Malaysians become. This is proof of the correctness of the policies of the Alliance Government.

We are getting nearer and nearer our ultimate aim of a *balanced* Malaysia, a balanced economy, and we are well on our way to

correcting any *imbalance* we inherited on Merdeka Day from the defects of the past administration.

Let me remind you of the aims of our National Education Programme which we set ourselves to achieve, and of which this Maktab MARA forms an *integral part*.

In that vast and ambitious Educational Programme, our aims which we are well on the way towards achieving, are as follows:

— *to consolidate further the national educational system in order to promote social, cultural and political unity;*

— *to provide educational facilities, particularly at the secondary level, to meet the needs of the increasing school-age population;*

— *to improve the quality of education and to spread education opportunities more evenly throughout the country so as to correct imbalances between the urban and rural areas;*

— *to diversify educational and training facilities by increasing such facilities in vital fields, especially those relating to agricultural and industrial science and technology.*

— *to accelerate teacher training in order to produce the necessary number of qualified and skilled teachers.*

In other words, in order to tap the natural resources of our country, of which there is great potential, we have also to produce a programme so that we can also tap our "human resources" in order to achieve development targets which we have set ourselves.

I am no "rubber tapper", but today, I feel that in presenting these Diplomas and Certificates, I am playing the role of a much more important "tapper", because here in this College we are tapping the human potential that exists in our country, particularly that of the bumiputra.

I do hope that this flow of trained skills and essential knowledge which has been given to you, will be utilized to the full, so that when you join your respective firms and industries, your training in this College will not have been in vain—and that your work and energy will pay dividends as *human* investment to our progress.

Once you leave this College, it is up to *you and you alone*, to apply to the full what you have learned and contribute your part, a part more important than that of the politician—because if we are to really achieve progress we desire, it is up to you, our young and newly qualified people, to ensure that *you do not sit back on your laurels* and regard your Diploma as a lottery ticket. You must make up your mind and apply your knowledge and skill for the *greater productivity* of our country.

In the last ten years of our progress since independence, our productivity in each sector of our economy has increased tremendously in spite of the setbacks we have encountered such as the Emergency and Confrontation. Even today we are experiencing setbacks such as the adverse effects from the fall in the price of rubber and devaluation.

But, there will always be setbacks; there will always be problems. The life in the history of the development of any nation is never smooth and level. We are bound to have ups and downs, both seen and unforeseen.

It is therefore necessary that to achieve progress we need, not only a development plan; we need not only an educational plan to develop our human resources; we need not only sound policies and sound methods of implementation, equally important, we need also to *develop and acquire a national attitude of mind* which will produce a tenacious Malaysian spirit so that we view our difficulties, not with despondance and desperation, but rather with *determination* and the *drive* to push our progress, in spite of anything that may crop up from time to time to stand in our national way!

What is the good of having a sound development plan; what is the good of pressing ahead with industrialisation and agricultural diversification, and all these other things we strive for all of us who are loyal, sensible and peace-loving citizens, if, over-night, all these achievements can be sabotaged and wrecked by a reckless minority!

Over the last ten years we built world-wide reputation for Malaysia; the free world has trusted us, and people had faith in our stability, to invest within our shores, and yet, over-night, through the actions of a few hooligans, the world Press picks up items of rioting and arson, thus lowering our stock in the eyes of the outside world.

Are we going to sit back and allow our future and our children's future to be ruined by a few irresponsible elements? No, we are taking firm action to protect Malaysia for posterity.

I can assure you that my government has, and will always take the firmest and strongest action against these enemies of the State, not only to suppress them, but, we hope, to eliminate them completely.

Government is determined to eradicate this cancer, but the greatest weapon of the government in a democracy is a *positive public opinion* which will fully support the side of right so that the liberties of all peace-loving Malaysians are safe-guarded, and that we do not allow everything that we have achieved in the last ten years to be destroyed suddenly by an irresponsible, selfish few.

Therefore, those of you who are graduating today and go out from this College, I hope, will not only be good technically and professionally in your job, but would also behave, act, think and conduct yourselves as good Malaysian citizens, and so contribute to the mainstay of Malaysian stability—a rational and sensible public opinion.

GUIDELINES FOR MALAYSIAN INSTITUTE OF MANAGEMENT

The tendency on the part of Government and business organisations to multiply posts and positions—a tendency for quantity and not quality—was condemned by Tun Razak when he spoke at the Malaysian Institute of Management in Kuala Lumpur on 3rd May, 1967. Below are his interesting comments on an important subject.

I sincerely hope that you do not expect from me a long dessertation on management because it is such a vast subject!

At *one extreme* you have the case of management of the girl in the *bikini bathing costume* on the beach and her backstrap was broken; so all the men rushed up to her and tried to help her to repair her bikini. But she replied with confidence and determination, "No, Thank you very much, I can manage myself."

The other extreme, you have the management of government and the management of large industrial organisations.

Management is a vast and varied subject, too detailed for an after-dinner speech because to go back to the bikini, I understand that the ideal of after-dinner speech is *like a lady's dress.*

It should be *long enough* to cover the subject, but at the same time, *short enough* to be stimulating and interesting. But sometimes nowadays, like the mini-skirt and the bikini, they only cover the subject in parts.

There is no activity in modern times which does not call for good management; in factories, in firms, in business and in banks, *including* Bank Negara, in hospitals and in homes, although I give you a word of warning on home management.

A home is probably the only place which can suffer from *over-management*. I hope that the female members of your Institute will not acquire an excessive knowledge of management and give their poor husbands hell when they get home and over-manage them!

I was most interested to read the Constitution of your Institute, and I must say that the objects that you have set out to achieve are very near to my heart. In fact they are the same objects which I have been trying to apply to the machinery for development, and to the machinery of government as a whole.

In the old days, when life was less complex, management was also less complex. As a result, there was a tendency to inherit and apply traditional systems of management instead of applying the very best of modern techniques. As I see it, the main contribution of your Institute to our country is to act as a tremendous stimulus in this search for, and application of, modern methods in all business and government organisations in Malaysia.

Combined with this, you could also help stimulate a continual vigilance and review of organisational methods, to ensure that we build up within our country, organisations based *on the quality* of manpower, rather than *on the quantity* of manpower.

Let me tell you a story I heard the other day when I was involved in Defence talks.

The 25-pounder gun which was invented many, many years ago, used to be drawn into battle by a team of horses, but in these modern days of mechanisation, horses are substituted by jeeps.

However, in spite of this change, it was discovered that the *crew* of each gun remained the same in number; one man to pass the shells, one man to open the breech, one man to fire the gun, and one man to direct the fire on a compass-bearing; and yet, on analysis, it was found that there were still two extra men sitting around doing nothing during the time the guns were in action.

Two extra men doing nothing on many thousand guns is many thousands of redundant men. No one could find out what their job really was. Therefore, a systematic analysis was made to find out why these men existed and remained on the pay-roll.

What had happened was, in the old days, when guns were drawn up by horses, these extra men had a specific job of *holding the horses* from running away when the guns blasted off, and yet on the transition to modern methods, no one *had ever thought* of cancelling their posts or giving them new jobs.

The only way that we can ensure efficiency is to continually review our organisational structure so that we do not have a lot of redundant people holding invisible horses!

Another aspect which I would like to touch on is this. To achieve good and efficient management, we have got to depart from the traditional method of automatic promotion on a time basis; we have got to do a bit of blood-letting, bringing some fresh air into our organisations, both government and business, to ensure that the man of best ability and leadership has a chance of coming up to the surface and does not stagnate in a pool of frustration, thus causing an efficiency blockage which, in turn causes an unnecessary brain-drain because his talents and potential are not being used to the full.

Let me give you another example from my experience as Minister of Defence:

I understand that during the last war, most infantry battalions fighting in the jungle had, apart from their Colonels, Majors, Captains and men, had also 41 mules which were used as pack animals, and by the time the war ended some of these mules had been in and out of the jungle on *several* campaigns; they had probably much more jungle experience and much more *military experience* than the men commanding them, but they *were not* promoted as Colonels, Majors or Captains because, in spite of

their long term service, they had never progressed beyond being a "mule".

I leave it to you to interpret the moral of that story!

The message I am trying to convey to you which is an important aspect of management, is that we have to evolve both in government and in the private sector, new more *realistic, scientific* and *sophisticated* methods of *promotional incentives* to harness the maximum of our human resources available, and to ensure that there is no brain-drain or outflow of ability due to frustration caused by applying out of date methods of management.

Today, we are striving to achieve growth in all aspects of our national life. In order to achieve this growth, we need strong and enlightened leadership; we need to stop any brain-drain which may take place; we need to harmonise the various interests—business interests—trade union interests—political interests—and government interests, so that we manage and co-ordinate these interests for the sound growth of our country.

We will only achieve this co-ordination of these interests provided that we place national interests high above the separate interests of the separate organisations which comprise the mosaic of our nation.

Let me explain this.

The English language has seldom been enriched by American words, but I believe, in America they have an expression known as "*passing the buck*," of which perhaps the equivalent is "to pass the baby."

I understand that Truman when he was President of America had a large sign on his desk in The White House which read: "This is where the *buck* stops!"

This has a double lesson for us; the first one in management. that if every responsible officer at all levels in all organisations shoulders his responsibility and does not "pass the buck," then we will be well on the way to being an efficient and modern nation with up-to-date management.

The second lesson at national level; if *each component part of our national economy*, the private sector, the trade union movement, State governments and the Federal Government maintains a

high national aim and we do not "pass the buck", to each other but get together more often to integrate our aims and aspirations into one determined direction for progress, then we will achieve the national growth which we all so ardently desire.

An institute like yours can make a tremendous contribution to the sound growth of our nation in these modern times. We need more and more managerial skills, more and more understanding between government and the private sector, and we need to breed *a new class of Malaysians with a highly developed sense* of leadership, efficiency and managerial sense of responsibility.

The role that this Malaysian Institute of Management can play in the future of our country, by creating a highly efficient managerial class of Malaysians, is vital and could be one of the greatest deciding factors in our progress.

NO END TO THE RICH PROSPECTS AHEAD

BOUNDLESS OPPORTUNITIES AWAIT OUR STUDENTS

Meeting Malaysian students in Australia on 6th April, 1967, Tun Razak told them of the boundless opportunities waiting for them to come and turn them into reality. His final message to them was: "We need you and others like you to make our dream come true."

We are providing education for nearly two million children in Malaysia—two million out of a total population of ten million. Not many people realise that one out of every five persons in Malaysia is in school today, and we spend over 350 million dollars or about 20 per cent of the national budget on their education.

We do this because we realise, as Japan did a long time ago, that the greatest natural wealth of any country is its people. A well-educated people, imbued with dedication and a sense of national discipline, can make the poorest country a great nation. Trained and disciplined brain-power is capable of any achievement. That is why I regard this function today as one of my most important in Australia. You represent here a big pool of that kind of brain-power which woud be of tremendous value to your country.

There are about six thousand of you here in Australia, more than five thousand in Britain and several thousand more in the United States, New Zealand, Canada, India and Europe. You may be here on a Malaysian government scholarship, or on a grant from the Australian government under the Colombo Plan, or on your own, but there is one point I would like to emphasise to all of you, and to all Malaysian students overseas. You are here largely because Malaysia has always encouraged her bright sons and daughters to go abroad in search of knowledge, and has helped them to do so in many ways. You can travel out of Malaysia without any trouble at all, take as much money as you can afford, and when you come to a country like Australia you can be sure of a friendly reception because your Government has prepared the groundwork for it.

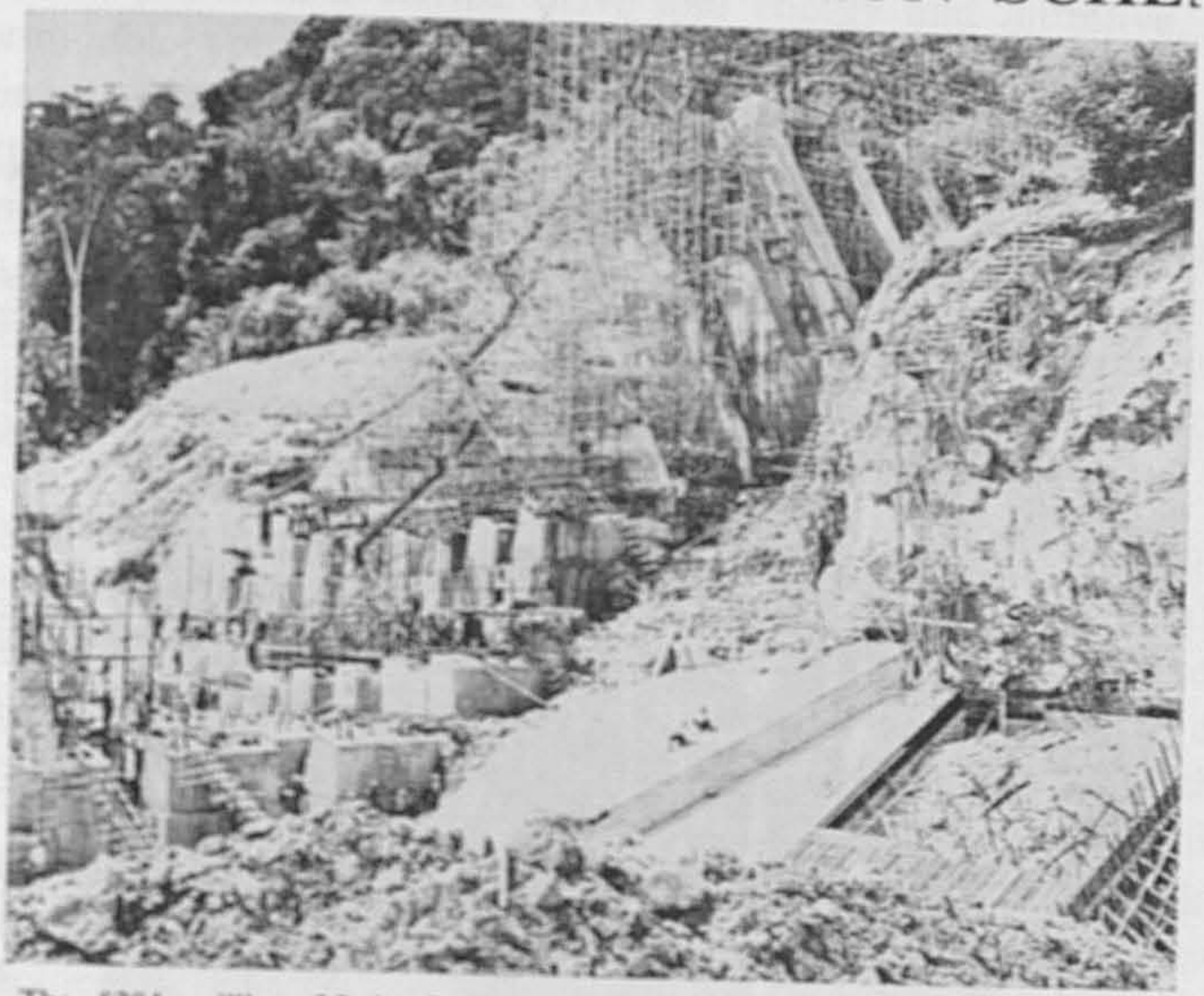


Tun Razak was welcomed by Malaysian students when he stepped off the R.A.A.F. aircraft at Sydney's Mascot Airport. He was also greeted with flags and "Selamat Datang" banners.

Whenever we are offered aid by a friendly country we place a very high priority on education because we believe that education is one of those rare good things of which you can never have too much.

We encourage our best sons and daughters to go abroad not merely to acquire a higher level of education but also to imbibe

THE BIG MUDA IRRIGATION SCHEME



The $204 million Muda Irrigation Project, the biggest of its kind in Southeast Asia is designed to provide adequate irrigation water for the cultivation of two rice crops in Kedah - Malaysia's major rice-bowl state. When completed next year, the scheme will help to treble the padi yield, thus raising the economic position of the rural farmers. The project was financed with a loan of $135 million from the International Bank of Reconstruction and Development.

$158 MILLION PROJECT



This is the Cameron Highlands Hydro-Electric Scheme one of the biggest hydro-electric schemes ever constructed in Southease Asia. Costing nearly $158 million, the project is partly financed by the World Bank. The completion of the scheme will ensure greater sources of power to help accelerate the industrial development of Malaysia.

Great Jengka Triangle



The greatest land scheme ever undertaken in Malaysia to open up the jungle for human settlement. The project, made possible with the co-operation of the World Bank, alms to make 310 sq. miles of impenetrable jungle thriving homesteads for 150,000 farmers. Already, some 70,000 people have moved into their farms on the fringes of the great Triangle.

some of the spirit of the countries to which they go. Here in Australia, you find a terrific drive and energy and initiative, and a formidable spirit which has conquered the vast spaces of this continent, and created massive industries which have given the Australian people a high standard of living. Education alone is useless if a man is listless and timid and lacks the pioneering spirit which, more than anything else, helps to create new frontiers in all fields of human life. This, too, you can learn from Australia, for these men are pioneers. Bring back as much of this spirit as possible for we have a great need of it in Malaysia today.

Don't get me wrong. Don't imagine that we lack this spirit completely. If you go back home today you will find it stirring in many places, and great things have begun to happen out there. We are carving new settlements out of the jungle and giving our landless farmers ten acres each of good rubber, oil palm and other crops from which they can earn 400 dollars a month within five or six years. Four hundred dollars as against 40 or 50 dollars they earned before. Soon we shall be opening up the biggest land development scheme in our part of the world—150 thousand acres of rich jungle land in Pahang known as the Jengka Triangle, which will flourish before long with rubber, oil-palm, fruit orchards and timber industries. The project is so promising that it is difficult to see where the prospects end.

We are opening new roads at the rate of two miles a day, shooting out in all directions. With the help of Australia we have just built one all the way from Kuching to Sibu in Sarawak. Before long we shall have the first East-West road in Malaya, linking Penang directly with the East Coast. This road will open up thousands of acres of hinterland to farming, trade, industrialisation and general development, worth hundreds of millions of dollars.

Perhaps you ought to know that we have doubled our output of electricity since independence, and research has produced a new rubber tree which gives us three thousand pounds an acre. Before the war we were doing well with three hundred pounds an acre. Research has also given us new strains of padi which will make us self-sufficient in rice within the next two or three years, and you can be sure that other wonderful things will soon be pulled out of the research bag.

I can see no end to the rich prospects ahead. Do you know, for instance, that in Sabah we have thousands of acres of

untouched land where the timber is hundreds of feet tall and so massive that two men can hardly get their arms round a tree. This we do know, but we don't know what other riches lie locked away in that state waiting to be discovered and developed by young men and women like you.

Do you know that they catch delicious lobsters off Sarawak and some of them—not much—are exported to Europe and the United States. The seas around Malaysia are teeming with fish waiting to be developed into a multi-million dollar export industry. But to achieve this, we need scientific and organisational ability of a high calibre such as you may have one day.

Our education programme is turning out thousands of boys and girls with sufficient education to become skilled workers, technicians and junior executives. But we need more scientists, engineers and top-level managers who can organise them and get the best out of them.

You may not find those opportunities if you decide to confine yourself in an air-conditioned office in some town or other, with a pretty secretary at your beck and call. You will find them only if you go and look for them in a pioneering country, in the rural areas of Malaya, in the timber forests of Sabah and up the great rivers of Sarawak. And you find them in ways that will be doubly rewarding if you set out in a spirit of dedication to your country and service to your people. You must be prepared to learn from the examples of the young men and women in the Peace Corps and others like them.

Don't be worried about any gloomy tales you may hear about Malaysia. A few unfriendly critics may say we are in a tight economic position. You know, about once every six months or so, some Wall Street expert puts out a report that America is heading for economic trouble, and the share index dives ten per cent. I have no doubt you see the same sort of story here from time to time, suggesting that the Australian economy is about to collapse. The fact is that a good runner usually crouches before he sets off on a sprint, and some of these so-called experts don't seem to be able to recognise that posture. They often jump to the conclusion that the runner has either lost his balance or is tired.

Other more malicious types may tell you that Malaysia is heading for racial trouble. I have never been much of a believer

in fortune-telling, and I am sure you don't go in for that sort of thing either, with your advanced education. Let's go by the facts. The situation we have in Malaysia today is the situation we have always had. Search your minds and your books and see if we have ever had any serious trouble of this sort in the past. If we have not had it before, why should we have it now or in the future. Go to the market place in Kuching, or the schools in Jesselton, or the beach in Port Dickson, or the eating stalls at Campbell Road in Kuala Lumpur—and you will find Malays, Chinese, Indians and others eating, studying and playing together without a care in the world, without any anxiety about racial troubles. They have too much in common, and everyone knows the danger of starting this kind of nonsense.

And let me tell you the secret of our success so far. We had a little trouble some years ago in a small fishing island. It started in the afternoon, but before nightfall we had more policemen in that island than there were people. We kept all the villagers indoors until they saw sense and patched up their quarrel. One or two chaps might have suffered a black-eye or some bruises, but no one was killed. That is our method. We nip this sort of trouble in the bud. So don't worry.

Some of these stargazers said we were going to have trouble over the National Language. We passed the bill earlier last month and a few hot-heads made some noise. But that was all. There's been no trouble. In September Malay will become the official language, while the other languages of Malaysia will be taught and used much the same way as before. We are not mad, so we have not done away with English. It will continue to be used, even for official purposes wherever it is necessary. So don't let this worry you.

Our Plan is a bridge—which is designed to close the gap from the poverty of the past to the prosperity of the future. It is a start of a road which will lead both ourselves and our children to the full benefits of a higher standard of living, a better way of life and the pleasure and pride of living in a progressive and prosperous Malaya. The first essential of National Development is the same as the first essential of building a bridge. It must be on firm and sound foundations, and the real foundation of Development Planning is political stability.

— *Tun Razak.*

THE OUTWARD BOUND TRUST

AN APPEAL TO THE PUBLIC

Speaking at the annual general meeting of Outward Bound Trust on 14th August, 1966, Tun Razak, who is its president, made a personal appeal to both Government and private bodies to make greater use of the excellent training facilities which the Outward Bound School provides.

The primary purpose of the School is to provide young men, from all walks of life with opportunities to test and develop their capacities of character and physique.

In so doing it seeks to stimulate in the young men a challenging perspective of their individual capabilities and a sense of enterprise, initiative and self-reliance.

The School does not try to produce leaders in the short time at their disposal. It helps young citizens to learn the difference between good and bad leaders.

In a developing nation such as ours, the work being done at the School is of great importance and it is imperative that more use is made of its potential for good.

A nation is a poor guardian of its own interests if it does not encourage its youth, who are the citizens of the future, to become strong, self-reliant and vigilant men and women, to man the watch towers over all it holds most dear.

Malaysia, as a young nation with a young population, considers that it is of the utmost importance that we should pay particular attention to our youth and give great accent to their activities.

It was because of the realization of this fact that our Prime Minister, after the last National Election, decided to form the Ministry of Culture, Youth and Sports and place this Ministry under his charge.

The Outward Bound School is one that caters for our youth. The Outward Bound Trust of Malaya was formed in 1953 when this country was facing trouble from militant Communism, as in fact it still is today.

In the face of internal threat as well as in the face of external aggression, more than at any other time, a nation needs men and

women with character, courage and self-confidence so that they can willingly act on their own and lead others to play their part in the defence of their country.

Outward Bound achieves this through its own special methods by making young people fit, by teaching them to look after themselves in the open, and by facing them with problems which they have to tackle on their own in every day life.

Our young nation needs leaders at every level in every walk of life.

We need good and loyal citizens with a sense of responsibility and dedication and a realization of their obligation to their country and to their birthright. Not only do we need leaders, we need good and loyal followers.

The School is well equipped to give the youth of this country the type of training which will turn them into responsible citizens and future leaders of our nation

The Outward Bound Trust now enters its second decade and more than ever it needs the help of well-meaning and public-spirited people who have the future well-being of Malaysia at heart. . . . . If you support Outward Bound Movement in Malaysia, you will be helping to strengthen the foundations of our nation and you will be contributing towards the continuance of a firm and enlightened leadership which carries with it stability, freedom and a sound future for this country.

Your success in your work in each one of your District can only be judged from one thing, and one thing alone, that is results. To achieve results you have to stick to what you are doing through thick and thin until the project is a success. To do this you can in fact get better advice than I can ever give you by looking at a postage stamp and remember that the merit of a postage stamp is in its ability to "stick" to its objective until it arrives at its destination.

— *Tun Razak said this at the conference of Assistant Rural Development Officers on 11th November, 1960.*

GREAT TASK LIES AHEAD FOR ALL ENGINEERS

A call to members of the engineering profession to give even greater service towards the achievement of Malaysia's national aims was made by Tun Razak when he spoke at the annual dinner of the Institute of Engineers, Malaysia, in Kuala Lumpur on 23rd April, 1966.

I would in fact be happier to be the guest of your Institution of Engineers in *10 years' time*, because I notice from the newspapers that Engineering as a profession is attracting beautiful ladies to join its ranks, and only recently Malaysia was able to rejoice the fact that we now possess a fully qualified female Electrical Engineer!

How much more pleasant for me tonight to stand up in front of an Institution of Female Engineers rather than looking at this mass of mechanical men!

I am sure if eventually your Institution so develops to have a quorum of female engineers then your Annual Dinner will become a more pleasant and nicer evening and I am sure that your speakers would derive more inspiration when they stand up and face a bevy of "beautiful" engineers.

Perhaps also when that day comes I will be invited *without* my wife. I am not saying that my wife is not qualified to attend this dinner tonight. She, like most wives, without having taken a degree, is also an engineer.

In fact Gentlemen, I think that perhaps all our wives are "Engineers" but as yet I have never been able to discover what, during their morning coffee sessions in our absence, these wives try and "engineer". They are always engineering something behind their husband's back.

You may not think that I as a politician, and worse still, as a lawyer, can possibly be *unselfish* in my approach in talking to you, but nevertheless I have no option, in praising the achievements of our nation over the last five years of our Development, than to forget my own profession and think of yours!

I have to admit that most of the credit for making Malaysia the modern and progressive place it is today, is credit which must

go to the *engineering capacity* of our country which you, gathered here tonight, represent.

To support my words on the achievement of our development progress so far with particular emphasis on those sectors of our economy for which our Malaysian engineers have been responsible, I would like to quote an extract from an opinion given by the International Bank for Reconstruction and Development.

"About 52% of the total public sector investment has been in power and water utilities, transport facilities and communications in which investment has nearly tripled compared with the five years previous to 1961. This has resulted in the improvement of an already sound national infrastructure. The 12% per annum growth in power demand has been met efficiently, and water and sewerage facilities have steadily improved. Telecommunications services on the Malayan Peninsula are steadily improving . . . . Postal Services are both efficient and profitable to the Government. There has been considerable expenditure on introducing television which might in the long run become an asset. In the transportation field, roads and bridges alone accounted for 17.5% of the country's public investment. Some of this investment—for example the improvements which have benefited the rapidly expanding road haulage industry has been fully justified . . . In general the volume and allocation of capital expenditure has been sound and the record of execution has been unusually good."

These words which I have quoted are extracts of the summing up of our last Development Plan.

They are the result of observations made by purely neutral, independent and outside observers who have taken a critical look at the way we are developing and implementing development.

I quote these words as an encouragement to all of you here tonight who have a part to play in the further development progress of our country because the main burden of modern development in this present day and age lies on the shoulders of the profession to which you all belong, the profession of engineering in its many and multiple fields.

Therefore, Ladies and Gentlemen, my message to you tonight is that we resolve to make the next five years in this development process of Malaysia even more successful than the Five-Year Plan which extended from 1961 to 1965.

Applying the principles of true democratic Governments we in the Government welcome and encourage a contribution of suggestions and ideas from every voluntary organization and your Institution seems to be the perfect place for me to announce this project and to call on you to get together, plan together, and put up to my Ministry any suggestions you may have for the layout and presentation of such a development exhibition which would become a permanent feature in our national capital.

Looking to the immediate future, with particular emphasis on the implementation of the First Malaysia Development Plan, I think that every one throughout the whole country, whether it be Engineers or whatever their profession may be, must remember that national funds for development are not unlimited.

If we in Malaysia are to achieve the maximum amount of development in the minimum possible time then we must get 100% value for every single dollar we spend on development ....

It is indeed gratifying to hear from your President that in your Institution no one can rightly call himself an Engineer unless he can do satisfactorily for one dollar what other people would need twice that sum. If there is ever formed an Institution comprising the large consulting firms operating in this country I hope that you will be able to persuade these expensive consultants to use the same dictum.

Perhaps you might even have special tender forms printed with this dictum written at the top to continually remind consultants to keep their prices down.

Finally, Ladies and Gentlemen, I cannot sit down without offering your Institution my congratulations. Although this is only the seventh year in the life of your Institution you already have a record of which you can justly be proud.

In 1961, scarcely two years after its inception, your Institution was admitted as a full member of the Commonwealth Engineering Conference.

This admission of membership meant not only international recognition as the professional engineering body of Malaysia but also recognition of the high standards which all of you uphold both in the professional conduct and in the training of your

members. Therefore it was with the greatest pleasure that my Government recognises the corporate membership of your Institution to be sufficient qualification for entry into the public service.

Having said that I still cannot sit down and in case you misrepresent my praise and sit back on your laurels of past achievements.

A great task lies ahead for all of you in the implementation of our National Development Plan and I hope that from time to time when you have meetings of your Institution, you would take as a subject for discussion and action a copy of the First Malaysia Plan and sit down together, study it, discuss it and argue about it and see for yourselves ways and means whereby you can equip yourselves to give even greater service in your profession towards the achievement of our national aims and the guaranteeing of our national progress.

DESPITE THE CRITICISMS MALAYSIA HAS GROWN CONSIDERABLY

"True to the principle of parliamentary democracy, our people can always, if they wish, criticise the government but this has not hampered the progress of the country", said Tun Razak when he spoke at the sixth anniversary dinner of the Malayan Association of Chartered Institute of Secretaries on 18th June, 1966.

Ladies and Gentlemen, as you know, at this very moment Parliament is debating the Royal Address and the debate on the Royal Address can be said to be an inquest of the nation and of the country.

In the last few days, sitting in Parliament, I felt myself like a goal-keeper in a football match. Continuous attempts were made to shoot at the goal, not only from the opposite side, i.e., from the Opposition Party, but sometimes, either intentionally or inadvertently, the kicks also came from members of my own team. So as a "goal-keeper", I had to be continually on the alert. I wished that I were an expert at keeping goal as some of the goal-keepers I have seen at international football matches!

Ladies and Gentlemen, we believe in the principle of parliamentary democracy and our people, whether they be Members of the Opposition Parties or not, have the right to criticise the Government from time to time. However, despite these criticisms, I can say with modesty that during the nine years since we achieved independence, our country Malaya, and now Malaysia, has grown considerably, both in strength and in purpose.

In 1957, when we first achieved independence, we had to face an Emergency brought about by militant communism from within the country. We were able to bring an end to this fight successfully in July, 1960. Then, after a few years of peace, when we established Malaysia in September, 1963, we were faced with another Emergency. This time from outside, the Indonesian confrontation.

During both these emergencies, our people of all races stood solidly behind the Government with the result that we were able to ride through the two emergencies victoriously, and we emerged through these ordeals and convulsions more determined than ever to uphold the principle on which we stand; the principle which our Government strongly believes in; the principle of democracy, of freedom, of justice and of fair-play for all.

It is because we strongly uphold this principle that as a small nation we had been looked upon as an example to other nations. Indeed, today our country is being held in high esteem and admiration in many parts of the world for the way in which our people of various races are able to carry out its policies with dignity, with fairness and justice, and, despite difficulties and confrontation, our Government has been able to give our people in all walks of life a share of the happiness that they have longed for.

My task today is like the first runner in a relay of torch bearers. I called this meeting to light the flame of determination and enthusiasm so that you in turn may carry it, in relays, down through all levels of your Departments. This flame must be kept burning throughout the whole period of the implementation of our Development Plan, and never be allowed to die.

— *Tun Razak in a talk to heads of Federal and State Departments in February, 1961.*

A THIRD EYE IS ALSO IMPORTANT!

AMPLE OPPORTUNITIES FOR ENGINEERS

"There will be ample opportunities for many years to come for young engineers after graduation to choose a career in Government where you will help in the great task of implementing our National Development Programme," said Tun Razak when he addressed the Engineering Society of the University of Malaya on 28th August, 1965, as follows:

Our country needs an almost unlimited number of engineers, young Malaysians, dedicated to the application of modern technical skills, and as Professor Chin Fung Kee pointed out in his address last year, we also need an increasing number of technicians and craftsmen.

I am interested to note his figures, that it is reckoned for developing countries like ours that there should be about five technicians and 25 craftsmen to every engineer.

I understand that the Technical Division of the Ministry of Education are tackling this problem of the production of human technical talents so that our future development will not be hampered by lack of technical skills.

If these trained technicians and craftsmen are not produced quickly you young engineers will be like an Army of Generals with no troops to command!

I was very glad to hear your President saying that "you must not only think, when you leave your University, of your degree, but you must be also conscious of your responsibilities to society and that in addition to your academic studies, you should participate actively in debates, in the Students Union, in sports and other extramural activities.

I know that as University students you have got to have a balance between hard work and must not let your extramural studies interfere with your work but it is not difficult to strike the balance. It can be overdone, of course.

I remember the story of a visiting Professor to a certain University who congratulated the Vice-Chancellor and said: "Permit me to congratulate you and your University which has in recent years become a store-house of knowledge".

The Vice-Chancellor replied: "That is true, but I do not deserve the credit for that. It is simply that fresh-men bring so much knowledge in when they arrive in the University and the graduates, when they leave, take so little knowledge out of the University, when they graduate, because they spend all their time on social activities! Therefore we have a great store of knowledge left in the University!"

However, quite seriously, exercises for recruitment of graduates both to Government service and to the private sector, commercial firms, have recently shown that there is a tendency on the part of those seeking employment after they leave University to think that they are only judged on the quality of their degree and the standard of their academic qualifications!

I think all of you here tonight should, and must remember, that when the time comes for you to be conferred with your degree and then enter the very competitive stream of selection for employment, your potential employers do admittedly, in the first place look for a high standard of academic qualification; but also these selection boards, whether they be Government, or private, are like the story of a Buddhist Lama in Tibet who is gifted with a third eye!

The first two eyes judge professionally, academically, and the third eye sums you up as a potential personality that will fit in to the mosaic and the structure of the organization in which you are seeking employment!

And even if you have the finest academic qualifications in the world, but have no personality, no potential qualities of leadership, (unless of course you are applying for a back-room job of research), you will not be given the appointment to which you think, with your academic qualifications alone, you are able to fill.

I do not wish to disparage the system of higher education in Universities but it has happened on occasions, and let us face facts, that the men with lesser qualifications, who used their opportunities in University to mix socially, to take part in sports, and in debates and, by so doing, have become balanced, pleasant and positive personalities; in other words, to develop into potential leaders—quite often get better jobs than those who spent their University days buried entirely in books.

Your training as an engineer gives you the ability to handle machines but, looking to your future prospects, your job and technique of handling human beings are more important for obtaining from them the best results, on your engineering project.

Therefore your President was right when he said that members of your Society must take part in social activities of your University so that you will be equipped, when you leave the University not only to advance yourself, in your own career, not only to advance in your own profession, but also to make a contribution towards the advancement and progress of Malaysia because Malaysia needs leaders in every sphere at every level and in every way of life.

IMPORTANT MILESTONE IN PROGRESS OF THE NATION

Tun Razak, at the opening ceremony of the Faculty of Medicine, University of Malaya, Kuala Lumpur, on 2nd August, 1965, praised all those who helped to make this project a success. He brought home the fact that those buildings are not just concrete and steel but pregnant with meaning because they are the physical aspects of an all-round philosophy of medicine.

During the past eight years there has been a phenomenal growth in our University here. In 1956 the whole of this Pantai Valley was nothing but tree-clad hills. Today it is clustered around with a whole complex of buildings, of faculties, of administrative blocks and students' hostels. The growth of this University is one of the many examples of the tremendous progress that this country has made since independence.

A Teaching Hospital is in construction soaring to the sky; and bulldozers are busy day and night clearing sites for new developments already planned and worked out for this great Medical Centre. This is a typical example of the progress that has taken place in this University for the last 7 or 8 years. The fact that these acts of inauguration are belated is for me, however, a fine tribute and a splendid compliment to the tremendous achievements of all concerned.

I am sure that everyone who has had a part to play in what has been done here, in what is being done, and in what will be done, will agree with me that the construction of this medical centre is a splendid example of the close co-operation and continual liaison consultation among officers of various ministries and departments concerned and the University of Malaya.

In this respect I would like to pay my tribute to Professor T. J. Danaraj, Dean of the Faculty of Medicine. From the very moment of his appointment two and a half years ago after having made a special study of medical schools and teaching hospitals in the United States, Prof. Danaraj immediately started work on the establishment of this medical centre with enthusiasm and boundless energy. His will and his drive and leadership have translated the aims and the hopes of the Government and the University of Malaya into real concrete results.

I doubt if ever before anywhere in the world a Medical Centre such as this, combining all aspects of teaching, research and patient care, has been erected to such an unusual building time-table. This is a schedule to prepare for all consecutive phases of development of a brand new medical course in such a way that each aspect of construction is completed in time to meet the needs of the next stage of tuition. The daring and foresight displayed and the effective execution of all the problems involved have brought into being, and are still doing so, a medical institution that is completely modern and in many ways unique, not only in Asia but in the world.

A creative spirit has been in evidence throughout the whole concept. These buildings are not just concrete and steel, but pregnant with meaning, because they are the physical aspects of an all-round philosophy of medicine. This Medical Centre is aimed to teach and train not only students of medicine, but of dentistry and nursing, and also laboratory staffs. In addition, it will provide for post-graduate medical education and for medical research, especially in Malaysian problems.

Tremendous changes and developments have taken place in medicine in recent years, and in this Medical Centre Malaysia has drawn on the best of modern experience everywhere, adapting ideas to local needs. Whereas in the past, for instance, it was the practice in medical schools for the students to come to the staff, here the staff will come to the students working in an intimate tutorial system.

The philosophy of medical education which this Centre will interpret embraces in its thinking not student training only, or the young doctor only, but the whole profession, their need for dedication, and their need for renewal from time to time, and above all their place in a developing country. In short, this philosophy envisages the medical man not as a doctor only but as a social scientist with a definite and special responsibility and feeling for the community. Therefore, in the first four years of the medical course special attention will be paid to social and preventive medicine.

This is of particular importance to Malaysia with its large rural population. It is the intention that the medical student will gain his practical experience not only in this Teaching Hospital but in other hospitals and rural health centres as well. In this way the Medical Centre of the University of Malaya will be in close and continual contact with the people of Malaysia.

In this Medical Centre a major task of the Faculty will be in the field of post-graduate and continuing medical education. General practitioners and specialists will be able to participate. There will be short-time refresher courses, major full-time courses in basic medical sciences, and advanced courses in certain fields, all with the object of further developing specialisation, which is urgently needed in Malaysia.

As an earnest of this appreciation of medical education, this new Faculty of Medicine has organised an international conference to begin this very day on the theme of "The Education of the Medical Student for the Social and Preventive Aspects of Medical Practice". Distinguished professors and experts in medicine from nine countries and from Malaysia are already here in Kuala Lumpur and present in this gathering. On behalf of the Government of Malaysia I welcome them most warmly, for in these new and inspiring surroundings they will realise that this nation of Malaysia is paying paramount regard to the fundamental importance of all aspects of medicine and health.

In doing so this Faculty will answer the problem of our future needs for doctors. But to meet the difficulty arising from the shortage of doctors at present—a state of affairs which is a worry of other countries—we have to consider what is to be done between now and until the time when this Faculty is producing doctors in a steady and increasing stream.

The question of recognition of degrees in medical science from other universities other than those which we have depended upon in the past consequently arises. It is not so much the question of recognition but of adjustment. Just as we have drawn on the best of experience in creating this Faculty, we intend to follow the best standards of practice applicable elsewhere in recruiting and appointing doctors.

I would like to assure you that enough land exists in this country to permit large-scale private sector land development to continue alongside with Government-assisted smallholder settlement activities. These resources of undeveloped land are adequate to take care of our expanding needs well into the future, probably until the end of the present century and perhaps even beyond. But these lands benefit no one until they are developed. Accordingly, the Alliance Government intends to make this land available as rapidly as possible to genuine developers who wish to invest in agriculture.

— *Tun Razak to representatives of the private sector in January, 1969.*

TRADE UNIONISM IN MALAYSIA



The trade union movement must have much wider horizons than have been demonstrated in the past, says Tun Razak to the M.T.U.C. delegates at their conference in Kuala Lumpur on 30th November, 1968.

TWO LESSONS FOR TRADE UNIONS

WARNING ON RULES OF CONDUCT IN HIGHLY DEVELOPED COUNTRIES

The attention of trade unions was drawn to two important lessons by Tun Razak when he addressed the 18th annual delegates Conference of the Malaysian Trade Union Congress on 30th November, 1968. The first lesson is that for us and other countries, it does not pay to seek to imitate the rules of conduct developed more recently in the highly developed economics of the western countries. The second lesson is that, in the main, labour can attain a greater share of the value of its efforts only if it achieves a higher rate of productivity growth. His views follow.

This morning I would like to share with you a few thoughts concerning our mutual roles in nation building and national economic growth. Ever since our country gained independence 11 years ago, we have formulated our policies and their implementation with these two objectives very much in our thoughts. But 11 years is comparatively a short period in the life of a nation. Nation building and national economic growth are still, therefore, the great issues of today and they would become even more significant as we enter the decade of the seventies. Nation building in the sense of forging the various racial streams of our multi-racial society into a united community with like aims, aspirations and loyalties and in developing stability and strength in the social-political fields together with the economic growth of the nation are closely related as one reinforces the other. The one is difficult to achieve without the other. All our objectives and programmes have to take due account of this basic fact. Looked at it in this light, one can better understand the reasons for certain actions and government programmes which, when viewed in isolation, may not seem worthwhile pursuits in the course of our quest for accelerated economic growth.

Equally, in the light of the political commitments of our country enduring accelerated economic growth cannot be brought about

without due regard to the problems of nation building. This underlying theme is explicit in our First Malaysia Plan which spells out as our first objective and I quote "To promote the integration of the peoples and States of Malaysia by embarking upon a development plan explicitly designed to promote the welfare of all."

I have made reference to this subject for yet another important reason. There is a tendency in some quarters to view the problems and efforts of nation building and economic growth as a concern purely of the Government. There is a tendency for too many vital groups of the nation to participate in the process merely as by-standers and uninvolved critics. Such tendencies are, in fact, part of the very problems that we are trying to resolve.

The trade union movement and employers' organisations occupy a central position in resolving these key problems and you should be conscious of this. The task of providing for ourselves and those who come after us a secure and meaningful life, a satisfactory, decent standard of living, free from the threats of hunger, disease and want, is our common concern. We must approach this task as a common endeavour and, as such, with at least a concensus on the strategies and priorities to be adopted and the intensity of the effort that we are to make to realise our objectives. There can be no idle by-standers in the game—serious and national in character—least of all the trade union movement.

It is natural for a person who is asked to put in additional or, for that matter, any effort, to ask "What is in it for me?" But it is necessary that we understand "What is in it" **for all of us together and not as competing groups** ever complaining about the size of their share. It is only very easy for the trade union movement to make this error of judgement as has happened in a number of developed and developing countries. The immediate gains in the "here and now" tend to be given too much a weight, the squabble over which is bound to blur or blind us to the substantive longer term gains that follow from balanced and sustained economic growth. The danger of a trade union movement which does not have the proper perspective and adopts too narrow a vision geared to its short-term interests are very real indeed in developing countries. And this can lead to a severe strain being placed on the development efforts and in negating the attainment of the very pursuits of the trade union movement itself.

I would like to develop this theme of the need for each and every one of us to bear in mind our overall national perspective

in our attempts to pursue our own sectional interests. In this context, the development plans of the Government have in a large measure helped the Government to identify the very nature of this national perspective in tackling our problems. I have always considered our development plans and their implementation as being of significant educational value in this respect and, as we progress from one plan period into another, we have come up with the greater and deeper perception of the problems of growth. Participation in the development effort in itself, therefore, has very high educative value. I can assure you that the view of the problems and prospects, the challenges and opportunities, seen from within are quite different from what they are thought to be from outside.

Let me give you only one insight which is an abiding concern to all of us and particularly to this gathering of the top leadership of the trade union movement. Above all else, as we move from one plan to another, one gets to sense the necessity for greater rate of growth than we have been able to achieve this far, if we are to make a significant dent on the unemployment problem. Undoubtedly we have reaped considerable benefit from our development plans which any elected Government would feel a sense of pride of accomplishment. Even so, there are certain problems which are still with us and call for greater vigour in our development efforts to overcome them. Despite the rate of about 6 per cent growth in the gross domestic product that we have achieved over the last few years, a rate which is respectable by any comparison, we have yet been unable to come to real grips in reducing the levels of unemployment and to provide sufficient employment opportunities for the increasing stream of youngsters coming into the job market. This is partly due to the very high birth rate of the early fifties and this problem is going to be with us for some years.

Ways and means have, therefore, to be found to accelerate our performance and our intensity of effort. While the Government is actively considering a number of major steps, both in the field of agriculture and industry, to generate even more employment opportunities, one of the more important steps to be taken is within your hands. This Government has all these years placed great importance on the trade union movement and has tried to assist and ensure its healthy development. The policy of the Government has been and will continue to be to encourage the formation and

growth of free, strong and responsible trade unions on a national basis. This has very much a conscious effort and is in consonance both in helping nation building and in economic development. It may well be that, perhaps, we could have achieved a somewhat faster growth of our economy if we had not intervened and legislated at various stages for a high level of labour protection and welfare and consequently kept labour costs down. Engrossed, as you are, with the task of obtaining better wages and fringe benefits for your members, perhaps, you may not be well aware of the distinct advantages in economic terms on investment, growth of output and consequently on employment levels of keeping labour costs low. But let me assure you that there is ample evidence in Asia and elsewhere of the benefits in terms of higher growth rate in a number of countries which have been rather less than progressive in respect of labour matters and labour legislation.

But we here in Malaysia cannot and must not put the clock back and seek refuge in paternalism as the chief criterion of our labour management and relationship. We have set too great a store by the dignity of the worker and need for him to have a bigger share of the fruits of progress in our democratic way of life for us to retreat to that position. We seek to build this nation to obtain higher growth rates within the framework of providing tangible benefits in the living standards of one and all. This is, admittedly, a difficult task. If we are to operate the democratic system successfully the situation we find ourselves in today has some important lessons for us. I will only touch on two of these.

The first lesson is that for us and other countries in a similar situation, it does not pay (in fact it is positively harmful) to seek to imitate the rules of conduct developed more recently in the highly developed economics of the western countries. Many of these rules were developed long after they had broken the back of development and achieved self-sustaining economic growth. In our present stage of growth it would not only be irrelevant but be a definite constraint in tackling our overall national problems. We must take into account our stage of economic growth, our national problems and set our heights in improving our lot within this framework.

The second lesson is that, in the main, labour can attain a greater share of the value of its efforts only if it achieves a higher rate of productivity growth. Both management and labour must, as an urgent necessity, ensure that practices and attitudes of mind which

hinder productivity growth are removed. Management techniques of many decades ago must go, as must malingering and other restrictive practices which are obstacles in attaining productivity growth. A greater degree of partnership between management and labour must be developed for the sake of progress and productivity.

The trade union movement, if it is to continue to be held in esteem and importance in our battle for progress and development, must have much wider horizons than have been demonstrated in the past. It must encompass in its strategies and objectives the improvement of the lot of all workers and not merely those who are now in gainful employment or in union membership. The increasing of productivity, the solution to problems of unemployment and underemployment and the like must engage the minds of its leaders and occupy an important place in their thinking and be reflected in their actions. The same prescription applies to employers' organisations. I am confident that our trade union movement, which has survived the test of those early difficult days in the fifties, will respond even more positively to these challenges of the seventies. I am sure that you have the men and means to achieve this.

It is in this hope that the Government has decided to establish an Advisory Committee to the National Development Plan Committee on the problems of the private sector of our economy. It is our intention that labour should be represented in this Committee so that you are kept in touch with our national problems and can make an effective contribution to their solution.

I did refer just now to the early days of the trade union movement when you struggled against greater odds to establish a free and responsible trade union movement in the country. I had in mind not only your battle to gain recognition from the less progressive employers but your fight from within to be free from subversion. Over the years the fight for recognition of trade unions has been won. But the battle to keep the trade union movement free from subversion still goes on. This requires a greater vigilance both by the trade unions themselves and the Government. As Minister of Home Affairs I can assure you that the Government would not shirk its responsibility to get rid of subversive elements from our trade union movement. We will continue to act, as we did recently, and take quick and preventive action to wipe out subversion in the trade union movement and

for that matter in any segment of the body politic of our society. It is indeed, a source of satisfaction to the Government that the trade union leadership of this country is alive to the danger of subversion. Equally it is a great source of pride and satisfaction to the Government that today, faced as we are with external threat to our sovereignty and territorial integrity, the trade union movement has given full backing to the Government on its stand to the Philippines' claim over Sabah.

In conclusion, I would like to reiterate the conviction and commitment of the Government in promoting the growth of free and responsible trade unions.

NO RACIAL INTOLERANCE FROM ANY SIDE

ROLE OF TRADE UNIONS STRESSED

Speaking with emphasis Tun Razak warned: "Any sign of racial intolerance from any side must be speedily checked for our salvation is multi-racial harmony and unity". He was addressing the third biennial delegates conference of the Railwaymen's Union of Malaysia in Kuala Lumpur on 2nd September, 1966.

Malaysia has just emerged from three years of uncertainty and anxiety—a period during which our national sovereignty, our democratic way of life and all that we cherish were threatened. It necessitated the spending of a greater proportion of our national income on military and security measures with correspondingly less funds being available for the implementation of national development plans. We are very happy that confrontation is now over and we hope to be able to push on with our development plans at greater pace and intensity.

What man is searching for is simple enough—security, a good standard of living, opportunity for advancement, self-respect and regard for personal dignity. The Alliance Government is pledged to work for the achievement of these objectives. We would like Malaysians to have the good things in life and at the same time

have pride and dignity. We cannot achieve our objective if employers and workers, and Government and people are always in conflict. A situation like that is certainly not conducive to the progress of any community or nation. It is thus the duty of all of us to see that there always exists understanding and co-operation between the Government and the people, the employers and the employees.

Integration of interests by employers and workers is a positive solution to many of our labour-management problems and we are happy that in our country this concept has found favour and acceptance. But to develop this concept we have to cast aside the idea of victory for one side and defeat for the other. There will be the necessity for leadership but a leader does not necessarily impose a solution.

The wise man, whether a worker or an industrialist, appreciates a situation by considering the relevant factors and arrives at a solution by a process of deductive reasoning. More than one solution may be evolved but there will probably be a particular one which indicates the best course of action not for sectional interests but for the larger interests of the country. There are many who must revise their concept of power and leadership. The forces which go to make up power must be co-active and not coercive and the best leader is one who is able to integrate the experience of all and use it to a common purpose or as a Chinese proverb goes "The best leader is he who appears to follow".

A trade union should play an important role in the preservation of democratic principles. It is one of the few effective voices of the people in the defence of their living standards and their freedom. But the trade union's role is much more than just striving for better wages and better working conditions. As it is composed of people with all problems and aspirations of mankind, the Union must work for the betterment of humanity in every field of endeavour. No aspect can be overlooked. The Union must take care to preserve and build the rich culture of our land, to guide the activities and development of our young people, to improve educational opportunities for the present and the coming generations. Participation by the Union and its members in these fields is a duty no good union can or should or want to shirk. A trade union has no less responsibility for promoting a system that will protect the interests of the people and those of their children.

The development of the agricultural and rural sector continues to be given great importance because progress in this sector is crucial to the overall development of our nation's economy. A considerable extent of undeveloped land and exploitable forests and a wide range of new agricultural activities constitute significant opportunities for raising income levels and increasing employment opportunities. However, it is realised that acceleration of agricultural activities will not be sufficient to generate and maintain a high rate of income and employment growth. It is also appreciated that although our economic strength lies mainly in our position as the world's largest single producer of natural rubber and tin, with substantial export earnings also from timber, palm-oil and other agricultural products, we must nevertheless diversify our economy and accelerate industrialization, if we are to achieve our objectives. We have been independent for nine years and in the process we have also been working towards economic independence. I think we can say that in the economic field Malaysia has reached the "take-off" point in economic growth.

Industrialization brings an increasing number of workers into the wage-economy and the cycle of economic development largely depends upon the balance and co-operation between capital and labour. It is apparent that in as much as the system of voluntary collective bargaining is feasible, it requires the establishment of attitudes of mutual forbearance and the realization by either side that it is in their own interests to keep both capital and labour in productive circulation. It is necessary, however, that in our developing economy, we cannot afford any prolonged industrial disagreements or unrest.

The Government cannot afford to perpetuate a system that does not make any provision for measures which could curb the exuberance of workers or employers without due regard to the larger interests of the country. Primarily for this reason, therefore, the Government must consider the introduction of certain measures which could deal with developing situations in certain circumstances which in turn, if not held in check, could be considerably detrimental to the public interests. It is, however, clear that Government continues to encourage the growth of a free, responsible and democratic trade union movement.

The workers and Unions in this country have a special role to play in nation-building and in the inculcation of Malaysian

consciousness. Trade Union leaders and workers must help the Government to foster a united, tolerant, multi-racial people where there is a sense of justice and national solidarity. Workers on the whole are good examples of "Malaysians". Racial feeling among workers is non-existent or at least at the minimum compared with other groups of people. An Indian worker has more in common with a Chinese worker than he has with an Indian businessman. Believing in this, all workers should be less communal than other groups of people. It should also be true among professional people—a Malay lawyer has more similarities with a Eurasian lawyer than he has with a Malay peasant and again following this theory, racialism should be non-existent among Malaysian intellectuals. But racial or communal feeling or antagonism, I notice, is more common among "educated Malaysians" despite the fact that most of these people went to the same type of schools and learned the same subjects and possess indentical social values and aspirations. Chinese and Malay farmers normally seldom talk about communalism, some are not even aware of it and they live like Malaysians, until some communal politicians start talking and preaching hatred to them. Communalism must be fought as hard as we had fought communism. It is an evil that good Malaysians must all fight. Any sign of racial intolerance from any side must be speedily checked. Our salvation is multi-racial harmony and unity. I would like to see educated Malaysians leading the masses in building a truly Malaysian consciousness and nationalism.

In each and every corner of our country there is on the land, in our kampongs, in our villages, in our towns, and in our cities, hundreds of projects which, in the first place, were plans on paper and plans in preparation. These plans have been and will continue to be translated from aims into action, from promises to proofs and from dreams into reality.

—Tun Razak.

TRADE UNIONS AND CO-OPERATIVES

THE COMMON BASIC FEATURES

Success will be achieved only if the Government and peoples of the country are fully committed to the task of development, said Tun Razak in opening the Asian Seminar on "Trade Unionism and Co-operation" at the University of Malaya on 2nd August, 1966. He pointed out that trade unions and co-operatives have a number of common basic features.

I have always attached the greatest value to Seminars of this nature, because they provide the opportunity for people from various countries with different backgrounds and experiences to come together to discuss problems of common interest, find possible solutions, plan future action, and in the course of it all, strengthen the bonds of friendship and goodwill between countries. It is upon such personal bonds of friendship that a real foundation for peace between nations can be built. However this Seminar is in fact only one of a long series of regional and international activities sponsored or organized by the MTUC dealing with a great variety of subjects of current interest to workers. These educational activities, must have enriched the knowledge and experience of all those who had taken part in them, and promoted a deeper understanding of the many labour and social problems faced by their respective countries.

The Malayan trade union movement has through the years earned a high place in the international labour field, not only because of its continued concern with the development of sound trade union educational programmes but also because its activities overseas and its international relationships have brought about greater understanding between countries.

I would like to take this opportunity to express my appreciation of the valuable service, the Friedrich Ebert Foundation of Germany has been rendering in the cause of adult education for democratic life and international understanding, not only in its own country but in other areas, particularly in the developing countries.

The history of some developed and developing countries provides good examples of the role that responsible trade unions can play in the economic and social development of nations. The positive

contribution that can be made by trade unions in our countries should surely be grasped.

Most of us gathered here today come from developing countries. Our efforts at national economic and social development must be made to succeed. Only in this way can there be increases in income and consumption per head and expansion of employment opportunities for our growing labour force. Success, however, will be achieved only if the Governments and peoples of our countries are fully committed to the task of development. Needless to say the commitment of labour is indispensable. To the extent that trade unions can facilitate this commitment, their contribution will be invaluable.

While pursuing their traditional objectives of better wages and living conditions, labour unions can, not only assist in improving the way of life of their members but also help to secure their willing and whole-hearted participation in the development process. They will also directly contribute to overall economic development by helping to correct abuses in personnel policies, by forcing management to become efficient and by giving labour a sense of pride and identification with work. It is not too much, however, for any country to ask that in the interest of national development the demands of organized labour should be tempered by a sense of responsibility. For example, demands for higher wages and better conditions of work which are consonant with increased productivity would be certainly within the right of labour to make. However, demands for wage increases and better living conditions without corresponding increases in production would act to the detriment not only of the whole country but also organized labour itself. A major consequence would be inflation which would be to the advantage only of certain privileged groups and speculators. To say the least, this is a luxury which developing countries cannot afford.

I fully appreciate that if labour unions were to abide by the principle of relating their wage demands to productivity increases, then the improvements that would be realised would be gradual rather than dramatic. It must be emphasised, however, that such gains cannot be sniffed at. Even gradual rises in income levels will accumulate to substantial improvements in a relatively short period.

As for Malaysia, for example, real income per capita will rise only gradually during the next few years. Although this expected

rate of increase under the First Malaysia Plan is modest, it will be a considerable achievement in the face of relatively unfavourable external economic factors to protect per capita income levels from declining and help them to rise slowly at the same time as the foundations for a new economic structure are being laid. If wage demands which did not take these circumstances into account were to be acceded to, then inflation would result and investment designed to create a strong economic foundation for progressive income and employment growth would be impeded. It should be remembered that with inflation, labour may be granted increases in their money incomes or take-home pay but certainly the real purchasing power of their pay-packets would have decreased. It should be all too obvious that such a situation must be avoided not only in the national interest but also in the interest of labour itself.

In view of these stark facts, which confront the whole developing world, I am pleased that you have taken the constructive step of considering ways and means of stretching your pay-packets to the maximum extent possible. At this Seminar, you will be discussing how this may be done through the instrument of the Co-operative Movement. In fact, trade unions and co-operatives have a number of common basic features. Both have the same motivation—to raise the economic well-being of their members; both are democratically controlled by officers elected by the members themselves; and both are supported by contributions from members who share equal risks and benefits. In view of the greater organisational experience which the trade union movement has had in most of our countries and the administrative ability which it has developed during this period, I am confident that the contribution that it can make to the development of co-operatives is vast. Those co-operatives which have failed—and there are many—have met this fate because of lack of leadership. The contribution of leadership by trade unions to the co-operative movement would be, very definitely, to the advantage of both.

You may be discussing the question of whether your involvement in co-operative activity should take the form mainly of creating co-operatives within the trade union movement or whether it should take the form of encouraging your members to participate actively in co-operative societies established outside your movement. I am sure that you will agree with me that there is no simple answer to this question. We have to be pragmatic. I

would say that where there already are co-operative societies, you should encourage your members to join them and you should lend your leadership abilities to these societies in every way possible. Where there are no societies to cater to the needs of your members in any particular trade or locality, then you should certainly establish societies within the movement. It would be very desirable, however, if the membership of these new societies was not restricted only to union members. It must be appreciated that both movements have a very desirable social and economic function. Competition, duplication and lack of co-ordination in co-operative activity will not serve the best interests of the members of both movements.

It cannot be emphasised too often that your role in society and in the economic and social development of nations is a vital one and that your responsibility is enormous. It is therefore incumbent on you to ensure at all times that your leadership is wise and judicious. The general interest of labour would be best served if you concentrated your efforts on collective bargaining, day to day grievances, organising the unorganised, collecting dues and building stable, democratic and truly autonomous organisations. You have a right to be concerned about political and idealogical issues. But preoccupation with these must surely blunt your ability to deal with matters directly affecting the welfare of labour. Above all, it will only contribute to economic and political instability. If in political subservience to the party in power, labour unions do not constructively and effectively advance the interests of labour, they will be acting as irresponsibly as those that resort to strikes and ill-timed demands in the hope of undermining rival political parties.

This Government is intent on continuing to create all the conditions required for the effective functioning of responsible trade unionism.

It is also intent on getting trade unionists to participate and advise in the shaping and implementation of national economic and social policy. In this connection, the Government has recently announced its intention to establish a key Advisory Committee to our National Development Planning Committee on the Development of the Private Sector of the economy. This Committee will enlist the talents of trade leaders along with those of individuals from private enterprise and employers' associations and Government officials.

MULTIPLICITY OF UNIONS

"A MAJOR PROBLEM"

Tun Razak declared open the 15th Malaysian Trades Union Delegates' Conference on 10th December, 1965 in Kuala Lumpur. At the same time he laid the foundation stone of the new M.T.U.C. building. He expressed the hope that during the Conference they would be able to evolve guide-posts for their development.

This Conference is another milestone in the development and progress of your Congress and also of the trade union movement as a whole in the country. This Conference should be an important occasion for you to take stock of the activities of the Congress, to reflect on its activities over the past year and to assess its effectiveness in discharging its specific task as a central co-ordinating and advisory body for the trade union movement.

The trade union movement in Malaya today has not only established its own position and status within the economic and social structure of this country, but has also earned for itself international recognition and prestige. This, I can say, is due in no small measure to its leaders who believe in the concept that trade unions should be formed on the basis of independence, responsibility and the principle of democracy. Unfortunately, and notwithstanding the progress made, the movement still has a long way to go before it can be said that it speaks with one voice for the whole body of workers engaged in various trades and industries. The number of workers in the country remaining unorganised is still very large.

Multiplicity of unions and inter-union rivalry continue to pose a major problem. In a great number of cases, trade union membership and funds are limited and these appear to place severe limitations on the adequacy of the services provided by such trade unions to their members and their ability to undertake research and other activities. I am glad to learn that the leaders of the M.T.U.C., being fully conscious of this position, are endeavouring to advise other workers' groups for a more effective consolidation of the trade union movement generally. The Government, on its part, will continue its policy of giving every encouragement to the development of a sound, strong, responsible and independent trade union movement in the country.

A strong trade union movement is not, in itself, an adequate manifestation of our social structure. A sound industrial relations policy is very necessary so that workers and employers may be able to pull their weight in full in the tasks of economic and social development of the country. In so-called under-developed and developing countries, capital resources and technological skill are generally severely limited and our country is no exception. We must, therefore, welcome outside capital for our various development projects and industrial diversification with which we hope to provide more employment opportunities for our country's rapidly expanding population. To achieve this objective, the right labour climate must be created and maintained. I am glad to note that labour generally has played its part in the process of maintaining such a climate.

The Alliance Government fully realises that the rights of industrial workers must be fully protected as development takes place and their protection should be left in the hands of responsible trade unions. However, trade unions do not represent everyone in the country and the Government, representing the whole country, has a responsibility not only to the workers, but also to those who have no work and to the whole of our people. The Government's responsibility to those who have no work is to increase our industrial output and productivity and create a climate for greater investment so that there will be more jobs for the people. Therefore, while the Government recognises the need for a responsible trade union movement, the Government must also look to the interests of the rest of the people of the country, in particular to the large number of less fortunate people who may not have work. That is why it is most desirable to have sound industrial relations between employers and workers to ensure there will be more development, more trade in the country and more employment. I do hope that it is one of the aims of trade unionism to increase development and trade. The nation's welfare depends on increased productivity, an expanding economy and on hard work. I do hope that it will be possible for trade unions to concern themselves also with training programmes, with apprenticeship programmes, workers' discipline and productivity. Indeed, I hope it will be possible for responsible trade unions to go further than this and take an active role in organising co-operatives, generating savings for development, promoting co-operative housing development, and generally making workers aware of their contribution to the development of the nation.

I am sure that if our trade union movement can put forward, from time to time, constructive suggestions for higher production and faster development, then, when the time comes to bargain with the Government or employers for better wages, the unions will be in a very much stronger bargaining position and will have the support not only of the Government but of the nation as a whole.

Perhaps, therefore, in laying the foundation stone of this building today, we can also lay the foundation stone of a Malaysian Trade Union movement truly Malaysian in spirit, dedicated not only to the welfare of the workers, but also to the development of our country as the future prosperity of our workers is dependent on the development of Malaysia.

I feel it is important that while endeavouring to obtain increased benefits and better standard of living for your members, you should realise the need for a sound attitude towards the problems of production and development, and try to acquire a better understanding on broader aspects of industry and its development in the country.

Today the Government has just published its First Malaysia Plan. This Plan is a bold and imaginative blue-print for the future economic and social development of our country despite the continuous threat to our territorial integrity and independence. I would ask all of you, members of the trade unions, who undoubtedly have a great part to play in the implementation of this Plan, to give your utmost co-operation, as this Plan will not only provide greater employment opportunities, but also greater benefits to our people, particularly the have-nots and the workers.

One of the most essential features of an organisation is its ability to adapt itself to changing circumstances. Organisations have been known to disappear because they were too rigid in structure or too doctrinaire in outlook. Trade unions are not a mere collection of organisations but a movement, not a piece of machinery whose processes are unchanging, but a body of voluntary associations which must adapt themselves to new situations and be ready to grapple with changing problems. I have no reason to doubt that our trade unions will show themselves capable of adjusting their thinking and methods of action to the needs of the economic development and progress of the country. That you have a part to play is not disputed. How you play that part is

vital and I see, particularly in our present time, no alternative approach but one of mutual trust, co-operation and support.

The system of industrial relations in this country has all along developed on the basis of voluntary arrangements between the parties themselves with a minimum of Government intervention. A lot of people now appear to be taking a critical look at this system, not because of any inherent weakness in the system itself, but because there has been a radical transformation of the environment in which the system functions. Economic conditions, social changes, the character and attitude of the main participants and, most of all, the economic and political needs of the country have undergone considerable changes.

Public expectation of rapid development, stability and proper conduct have been more and more keenly felt. When the Government acted in May this year to promulgate the two Essential Regulations, these considerations were foremost in our minds. The amended Regulations which came into effect on 23rd September are in many ways an important step and an experimental phase in the evolution of and the readjustment of the system of industrial relations to meet the demands and circumstances in this country. They provide, for the first time, for the Government to take a more direct and active role in the field of industrial relations. The Government is watching closely the working of these Regulations and seriously studying the adequacy of our system of industrial relations to see what new features can be adopted to bring it more in line with the needs of our national development and the realities of the labour situation in the country today.

Unemployment is not necessarily confined only to one particular field of activity but, in an era of industrialisation, it is incumbent upon all of us, whether in Government or in industry or amongst the workers groups to identify ourselves with the need of industrialisation and provide the services so required by industry. Government is, therefore, contemplating action through the Ministry of Labour to establish a Department of Employment and Training which will cover fields such as all forms of industrial training, placement services on the completion of training and labour market research and information. To cater for the needs of this Department and also to be in a better position to analyse this statistical data that need to be compiled if we are to understand more accurately the labour market problem, the Statistical Division within the Ministry of Labour is also being expanded.

In the field of social security, you are aware that, in the Ministry of Labour, we presently have an experienced officer, very kindly seconded to us by the Government of India. This officer has embarked on a very close examination of a Pension Scheme on account of invalidity and its interrelated aspects. His services may be required in other fields of social security and the rate of his progress in the Invalidity Pension Scheme would determine the extent of his participation in these other fields.

I need only, in conclusion, to give you an assurance that this Government would continue to do everything possible to advance the living conditions of all the workers in the country. There are pieces of legislation presently under examination and, I agree, under examination for some time but, these things do take time and there are always different points of view which need to be reconciled. Legislations which are outstanding and which are under immediate review are those concerning the Extension of Collective Agreements, those affecting the safety, health and welfare of workers in factories, the conditions of employment of children and young persons and the improvement and control of housing provided to workers.

Here in Malaya we are endeavouring to create a new society in which every citizen will have a place in the Malayan sun. As you know, the development of our country has been lopsided. The western seaboard, because of its close proximity to the trade route of the Straits of Malacca, has been developed to the exclusion of other parts of the country during the last hundred years. The Alliance Government has set itself the task of opening up the hinterland for development and settlement so that new towns and villages can be established around new centres of production.

— *Tun Razak at the Rotary Governor's Banquet in Kuala Lumpur in November, 1950.*

THOUGHT—PROVOKING EVENTS

OUR STAND IN U.N. EXPLAINED

In international affairs, it is not the size of the country that counts but what the country stands for. In internal matters the most difficult problem is that of endeavouring to build a strong, united and independent nation with one loyalty in our multi-racial society, said Tun Razak at the dinner of the National Union of Journalists Malaysia in Kuala Lumpur on October 9, 1965.

During the last few months there have been several thought-provoking events in our country as well as in countries in this region of Asia and South-east Asia. Therefore it will be useful for us to cast our thoughts back and to ponder soberly on these happenings which naturally have consequences in our country. It is a good thing from time to time, for us as a nation to take stock of our position, to look into the past so that we can plan carefully into the future and look ahead with care and confidence.

Exactly two months ago on the 9th August, we had to take a sad but desirable decision to separate Singapore from Malaysia. That action on the part of our Government with the agreement of Singapore Government was a shock to the country and to our people. However as the two countries, Malaysia and Singapore settle down after the operation of separation and the leaders of the two countries have realised the desirability of maintaining close co-operation in all matters namely, defence, security, economic and trade, our people have recovered from the shock and have realised that the separation of Singapore from Malaysia would be in the best interest of peace and security of our two countries and in the interest of our two people.

I have also just visited most of the important areas of Sabah and Sarawak and had the opportunity of meeting the leaders of the various communities at various levels. I am firmly convinced that the people there as well as the people here in Malaya have understood the reason for the separation of Singapore from Malaysia and rallied solidly behind the Government at this time of national emergency to defend our country as well as to make Malaysia succeed.

We in the Central Government have stated many a time that we shall do everything possible to work together with the Government of Singapore for the benefit of our two countries which have so many things in common and which are linked together so closely. If leaders of the Government of Singapore will give us that same co-operation and are prepared to work sincerely together in close co-operation then clearly there will always be happy and friendly relations between Malaysia and Singapore.

After this important event in our history, trouble broke out between India and Pakistan. For a few weeks there was fighting on the borders between these two countries with whom we had friendly relations. Both these countries are members of the Commonwealth together with us Malaysia. Therefore we considered it was our duty to do all within our power to try and bring peace so that whatever differences they had could be settled by negotiations and by peaceful means. From the very start we made it clear that we took no side in the quarrel. We were neutral and that our only wish was to see that the two friendly countries of ours would stop fighting each other. As a member of the Security Council our duty was clear, not only to ourselves but to all member countries of that august body—United Nations—to restore peace. Our representative at the U.N. Security Council was given a clear mandate to support the efforts of the Secretary-General to bring about a ceasefire between India and Pakistan and to bring an end to the fight. That was our first objective. Naturally in a situation like that we could not please either side but as I have said, it was our duty to bring an end to the fighting.

We consider it our duty not only to the people of the two countries involved in the quarrel but to the whole world to bring about this ceasefire. However in our sincere efforts to do our duty to these two friendly countries and to do our duty as a member of the Security Council we were misunderstood.

During our trouble with Indonesia, Pakistan had clearly shown a partisan attitude. They had actively sided with Indonesia on a number of occasions. At the preliminary Afro-Asian Conference in Jakarta, the Pakistan Foreign Minister, Mr Bhutto tried his best to stop our admission, and representatives of Pakistan in Afro-Asian countries had been carrying out propaganda against us in support of Indonesia. Also at the last Commonwealth Prime Ministers' Conference, Pakistan Foreign Minister did his best to

stop the Conference from making a statement condemning Indonesian aggression. In our trouble with Indonesia it was clear Indonesia was the aggressor. In the U.N. Security Council a vote of 9 to 2 passed a resolution condemning the use of force by Indonesia against us and yet Pakistan still supported Indonesian action. It was clear that we are being made the scapegoat for Pakistan's interest. We are being made use of perhaps to please Pakistan's big brother, Communist China.

We know that the action of the Government of Pakistan and in particular that of her Foreign Minister does not have the support of the majority of the people of Pakistan as in that country the people have no real say in formulating Government policies and actions. Pakistan Foreign Minister thought Malaysia is a small nation and our friendship is of no value to Pakistan. In international affairs it is not the size of the country that counts, it is what the country stands for. We stand for peace and co-operation, for freedom and justice and for friendship among nations. We always believe in justice and fair play and in international affairs, respect the integrity and sovereignty of other nations.

Time and the course of events will prove that we have been right, we have been sincere in all our efforts and activities. We have no ambition to dominate any territory or country, our only wish is to live in peace, to be left alone to carry on our own way of life, to bring happiness and prosperity to our people.

During my visit to Africa and Asia early this year, to about 20 countries, I found that the leaders of these countries have now understood what Malaysia is, a peace-loving nation and that we have been subjected to aggression by Indonesia. Our image and prestige in the world have been enhanced. We have shown to the world in the past that we are always ready to play our part and to contribute our small effort for the maintenance of the peace of the world as shown by our action in the Congo and also by our action in the Security Council.

Now coming to internal affairs. Our young nation—Malaysia—is two years and two months old. We know when we decided to establish Malaysia that there will be problems and difficulties but we also believe that we can face and overcome all these problems given the co-operation, loyalty and understanding by all citizens.

Of all the problems, the one that appears to be the most difficult is the problem of endeavouring to build a strong, united and

independent nation with one loyalty in our multi-racial society. This problem of multi-racial society at times comes under great strains and stresses and often it threatens peace and harmony in this country due to careless utterances and actions of extremists found in our communities. But fortunately for us and Malaysia, our Constitution has been drawn up by persons of knowledge and experience to bear on the problems of our country. Also the former Federation of Malaya had many years of experience working successfully under a federal system of Government. I have no doubt that with patience, understanding and co-operation all these difficulties can and must be resolved if we want Malaysia to succeed and become a happy country for all our people.

Our Constitution provides and guarantees everyone a place in this country and protects his rights and privileges. There is no question of discrimination or dominance of one race over the other under our Constitution.

Of course in a multi-racial society like ours there are problems, there are sensitive issues which may be brought up from time to time. However, let us all realise that in everything we do, we must put the real and true interest of our country and people above everything else. We must always endeavour to look at things in their true perspective, to look at the substance rather than the shadow. Before we achieved independence in 1957 for Malaya, we knew we had a number of sensitive issues to be settled, i.e. the question of citizenship, religion, language and economic position of our people. That is why we decided to ask persons of knowledge and experience from outside to help formulate our Constitution, to help find out the solution to these problems.

The five members of the Constitution Commission from friendly Commonwealth countries came to our country to help draft our Constitution and that Constitution which was accepted by all races in this country when we achieved independence in 1957 and which was also accepted by Singapore, Sabah, and Sarawak with minor adjustments in 1963, provided the legal and constitutional framework for us to establish a united, free and democratic nation and to give our people a measure of happiness and prosperity which they desire.

Therefore I say if we have any doubts on any fundamental issue, let us go back to the Constitution. Lately there was some discussion

in the Press and outside over the question of language. In a free and democratic country such as ours, people have the right to express their views publicly and openly, and in any society there are extremists and on this question of language there are extremists who believe that after 1st September, 1967 when Malay becomes the sole official language the use of other languages would not be allowed. There are extremists on both sides but let us look at the Constitution. The Constitution clearly says: That after a period of 10 years after Merdeka Day, Parliament may, by law, provide for Malay to be the sole official language, but the use, the teaching and learning of any other languages should be permitted and encouraged. The Constitution Commission in its report says that they decided to recommend Malay to be the National Language and they do not consider it necessary that any other languages should become as official language except that English can be used for a period of 10 years after merdeka as an official language and thereafter it will be left to Parliament to decide when the change should take place.

The constitutional experts had made proposals which they consider fair and just in the light of circumstances pertaining to our country. However, in deciding to effect the changes as allowed by the Constitution, it is necessary for us to do so in the manner fair and just to all communities so that the measure we take will have the support of everyone. As the Tunku has stated we do not want to have any bloodshed or trouble in this country over the language issue or any issue. Indeed, there is no reason whatever that there should be any trouble or even differences of views.

It has always been the intention and policy of the Alliance Government to be fair and just to all sections of our communities. During the last 10 years since we have been in power, although we have endeavoured to help the various sections of our communities to give them better and greater amenities of life and standard of living we have not taken away the rights or privileges from any group or section of our community.

We have different types of schools and different languages. While endeavouring to carry out our National Education Policy we have endeavoured to be fair to the various types of schools. We have given a place to Chinese Education in this country that it did not enjoy under the British colonial government. In 1954, which was the first year before the Federation's first General Election, when

the Alliance came into power for the first time, the amount spent on Chinese education was $11.7 million. The amount spent on education as a whole was $99.9 million. In 1963, and I have taken 1963, because after this year we will be dealing in Pan-Malaysian figures and from a comparison—the figures were $46.4 million and $283 million respectively. In other words while the amount spent on education as a whole increased by 183% in 9 years the amount spent on Chinese education increased by 282%.

We wish to be fair to all sections of our community as it is our policy to give everyone of our citizens of whatever racial origin a rightful place in our country. While Malay will assume the role of our official language in our country it is clearly provided in our Constitution and it is the declared policy of the Alliance Government that the growth of the other languages will be fostered and encouraged. In fact, I wish as many Malaysians as possible to know as many languages as possible and we should endeavour to learn the principal languages of our country.

I would therefore ask all our people, Malays and non-Malays, to be fair and just to each other. The Malays must be fair to other communities in order to have their support for Malay as the official language and the other communities, particularly the Chinese, must realise that their languages and education will always have a place in our country in return for their support for the National Language.

I would like to repeat what the Tunku has always stated, that all we wanted from Malaysia is that our people, Malays, Chinese, Indians and others to regard themselves as Malaysians and this is what our Constitution provides and guarantees. It is the duty of all our people to work towards building a united nation with one undivided loyalty but this must necessarily take time and I am sure that with patience and co-operation and goodwill we will be able to achieve this ultimate objective.

As we look out around in this region of the world there are dark storms blowing and tales of misfortunes, murders and treachery filling our newspapers daily. However, in Malaysia if our people of all races continue to show their goodwill and unity and their will to survive against this dark background, there is clearly a bright gleam of the fulfilment of our ideals and the achievement of our concept of a happy and united country.

21626—24-3-69.