



# **FOREIGN AFFAIRS MALAYSIA**



PERPUSTAKAN  
WISMA PUTRA  
KEMENTERIAN LUAR NEGERI  
MALAYSIA  
50602 KUALA LUMPUR,

FOREIGN AFFAIRS MALAYSIA is published by the Ministry of Foreign Affairs, Malaysia. It is designed to provide information on Malaysia's foreign policy and foreign relations. Any material in the Journal may be reproduced but acknowledgement of the source would be appreciated.



# **FOREIGN AFFAIRS MALAYSIA**



# CONTENTS

## ***STATEMENTS MADE IN MALAYSIA***

### ***VISIT OF THE PRIME MINISTER OF THAILAND TO MALAYSIA***

*Speech by the Prime Minister Dato' Seri Dr Mahathir Mohamad at the official dinner in honour of Mr Chuan Leek Pai, Prime Minister of Thailand, in Kuala Lumpur on 6 January* 3

### ***VISIT OF THE PRIME MINISTER OF JAPAN TO MALAYSIA***

*Speech by the Prime Minister at the official dinner in honour of Mr Kiichi Miyazawa, Prime Minister of Japan, in Kuala Lumpur on 14 January* 7

### ***VISIT OF MAURITIUS'S PRIME MINISTER TO MALAYSIA***

*Speech by the Prime Minister Dato' Seri Dr Mahathir Mohamad at the official dinner in honour of the Right Honourable Sir Anerood Jugnauth, Prime Minister of Mauritius, in Kuala Lumpur on 8 February* 10

### ***11th GENERAL SESSION, AFRO-ASIAN RURAL RECONSTRUCTION ORGANISATION (AARRO) CONFERENCE***

*Keynote Address by Deputy Prime Minister, Mr Ghafar Baba at the Conference, in Kuala Lumpur on 8 February* 13

*Speech by the Minister of Agriculture, Datuk Seri Sanusi Junid at the Conference on 8 February* 16

***DIPLOMATIC TRAINING COURSE FOR FOREIGN SERVICE OFFICERS OF THE  
CENTRAL ASIAN REPUBLICS***

*Speech by Dato' Seri Ahmad Sarji bin Abdul Hamid, Chief Secretary to the Government  
at the closing ceremony on 4 March*

## **STATEMENTS MADE OVERSEAS**

### **UN COMMITTEE ON THE EXERCISE OF THE INALIENABLE RIGHTS OF THE PALESTINIAN PEOPLE**

*Statement by Ambassador Razali Ismail, Permanent Representative of Malaysia at the Meeting, in New York on 26 January* 19

### **ASEAN STAND ON THE PEACE PROJECT IN CAMBODIA**

*Statement by Datuk Abdullah Ahmad Badawi, Minister of Foreign Affairs on Cambodia, delivered on 15 January* 21

### **FORTY NINTH SESSION OF THE COMMISSION ON HUMAN RIGHTS**

*Statement by Dato' Musa Hitam, Head of the Malaysian Delegation on Agenda Item 4: Question of the Violation of Human Rights in the Occupied Territories, at the United Nations in Geneva on 4 February* 22

### **PRIME MINISTER IN BANGLADESH**

*Address by the Prime Minister Dato' Seri Dr Mahathir at the luncheon meeting with the Federation of Bangladesh Chambers of Commerce and Industry in Dhaka, on 13 February* 25

*Speech by the Prime Minister at the Civic Reception held at the Parliament in Dhaka on 13 February* 27

*Address by the Prime Minister at the banquet hosted by the Prime Minister of Bangladesh Begum Khaleda Zia on 13 February* 29

### **PRIME MINISTER IN PAKISTAN**

*Speech by the Prime Minister at the banquet hosted by the Prime Minister of Pakistan Muhammad Nawaz Sharif in Islamabad on 15 February* 31

*Address by the Prime Minister at the luncheon hosted by Malaysia-Pakistan Venture Sdn Bhd, Westbury Pvt Ltd and the Federation of Pakistan Chambers of Commerce and Industry in Karachi on 17 February* 34

#### **UNITED NATIONS SESSIONS**

*Statement by Dato' Musa Hitam, Head of the Malaysian delegation on Agenda Item 8 : Question of the Realisation of the Right to Development, in Geneva on 15 February* 37

*Statement by Dato' Musa Hitam on Agenda Item: 20: Rights of Person Belonging to National Ethnic, Religious and Linguistic Minorities, in Geneva on 16 February* 40

*Opening Statement by Ambassador Razali Ismail, Chairman of the Commission on Sustainable Development, at the session on 24 February* 43

#### **ELEVENTH SESSION OF THE COMMITTEE ON FORESTRY (COFO)**

*Statement by Dato' Ismail Awang, Director-General of Forestry at the session in Rome on 10 March* 45

#### **PRIME MINISTER IN THE REPUBLIC OF UZBEKISTAN**

*Speech by the Prime Minister at the official dinner hosted by the President of the Republic of Uzbekistan Mr Islam Karimov in Tashkent on Wednesday 31 March* 47

**AGREEMENTS** 49

**MOVEMENTS OF AMBASSADORS AND HIGH COMMISSIONERS** 50

**DIARY OF EVENTS** 51

***STATEMENTS MADE IN MALAYSIA***

## ***VISIT OF THE PRIME MINISTER OF THAILAND TO MALAYSIA***

**Speech by the Prime Minister Dato' Seri Dr Mahathir Mohamad at the official dinner in honour of Mr Chuan Leek Pai, Prime Minister of Thailand, in Kuala Lumpur on 6 January**

It is indeed a great pleasure for me to welcome Your Excellency and distinguished members of your delegation to Kuala Lumpur on your first official visit to Malaysia since assuming office as Prime Minister of Thailand. We view the presence of several of your Cabinet colleagues and important members of the private sector in your delegation as very significant, symbolising the close economic and political relations that exist between our two countries. I look forward to the opportunity of having close consultations and exchange of views with you during the course of this visit on ways to further enhance these relations.

Built firmly on the foundation of close traditional ties and in the spirit of good neighbourliness, Malaysia and Thailand have, over the years, built an impressive network of cooperation. This has brought about great success in the fight against communist terrorists along our common border, which culminated in the elimination of the communist threat in 1990. We have equally benefitted from our cooperation in such fields as anti-drug trafficking measures, agriculture, transport and communications.

### **Joint Authority**

It is indeed gratifying that the Malaysia-Thailand Joint Authority, the establishment of which was de-

cided in 1979 to jointly explore and exploit non-living resources in the overlapping continental shelf area of both countries, has now been formed and its headquarters established in Kuala Lumpur. I am confident that the Joint Authority will yet be another example of tangible cooperation between our two countries.

Trade between the two countries has also increased steadily over the years. In 1987, total bilateral trade amounted to 2.4 billion Malaysian Ringgit and in 1991 it was 5.4 billion Malaysian Ringgit. Thailand today is Malaysia's second largest trading partner in ASEAN and 14th largest foreign investor.

Notwithstanding these impressive range of cooperation, more need to be done in order to tap the full potential of trade and economic opportunities available in each other's country. For this reason I am particularly happy that you have included in your delegation prominent leaders from the government as well as the private sector. I hope that this visit would give them the opportunity to learn more about the opportunities available in this country and would spur them to further strengthen the economic and trade links between Malaysia and Thailand. The ending of the communist threat along our common border had opened new scope for cooperation both at government and private sector levels in the economic as well as social fields.



*The Prime Minister and his Thai counterpart Chuan Leekpai exchanging gifts at the official dinner.*

### **ASEAN Economic Cooperation**

The need for closer trade and economic ties between our two countries and between ASEAN as a whole cannot be over-emphasised. In line with the decision of the Fourth ASEAN Summit, we have moved towards the implementation of the CEPT arrangement and eventually AFTA. For AFTA to be meaningful, trade and investment between ASEAN nations must be substantially increased. I submit that earnest efforts in this direction must be made now so that ASEAN can quickly grow into a truly dynamic organisation capable of meeting the challenges posed by the emergence of

regional economic groupings in other parts of the world. We must be prepared to examine different concepts and levels of cooperation that would contribute to the strengthening of ASEAN as a whole. Malaysia's keenness to discuss with the Governments of Thailand and Indonesia on a sub-regional approach to economic cooperation, specifically the Northern Growth Triangle involving the northern states of Malaysia and the provinces of South Thailand and Northern Sumatera, was motivated by this desire. Considering the mutual advantages to be gained, I trust that you, Mr Prime Minister, would give the idea due consideration and attention. It is only through greater economic

strength and cohesion can ASEAN play an effective role in safeguarding its interests in the larger world, including the protection of free trade which is so vital to ASEAN's prosperity.

Talking about the protection of free trade, on Malaysia's initiative ASEAN had accepted the concept of an East Asia Economic Caucus and ASEAN officials have been tasked with deliberating on ways to advance and implement the concept, the central objective of which is to provide a forum for consultation on free trade and other related development issues. Let me say how much we appreciate Thailand's support for the concept which we see as vital in the light of the emerging protectionist tendencies among regional economic groupings as well as the uncertainty over the Uruguay Round of GATT multilateral trade negotiations.

### **A Peaceful Southeast Asia**

Looking beyond ASEAN to the other countries of Southeast Asia, it is indeed heartening to see the economic transformation taking place in Vietnam, Laos and even Cambodia. Malaysia is happy that, like Thailand, it is also able to assist and contribute in some modest ways to the economic reconstruction of these countries through trade and private investment. We are doing so in the belief that a prosperous and stable Cambodia, Laos and Vietnam closely linked to ASEAN or even as members of ASEAN would contribute to the peace, stability and prosperity of the entire Southeast Asian region. The same goes for Myanmar.

It is for this reason that we view with serious concern the refusal of the Khmer Rouge to participate fully in the peace process in Cambodia. Such a stand runs the risk of plunging the country back into a civil war, affecting the peace and stability of the entire region. We would like to appeal to the leaders of Khmer

Rouge to return to the peace process and spare the country from turmoil and hardship. While ASEAN has stood firmly behind the efforts of the United Nations to enforce the Paris Agreement, we would like in particular to pay tribute to Thailand for its decision to fully enforce United Nations Security Council trade sanctions against the Khmer Rouge even though some Thai business interests might be affected.

### **Violation of Human Rights**

Concerned as we are at the situation in Cambodia, it would be difficult for us to ignore the death, deprivation, hunger and blatant violation of human rights taking place in other parts of the world. I am thinking specifically of Somalia and Bosnia-Herzegovina. Though we could feel somewhat relieved that the situation in Somalia has improved following the despatch to that country of an international force led by the United States, the situation in Bosnia-Herzegovina continues to be grim. Serbian guns continue to pound senselessly on innocent civilians in Sarajevo and other Bosnian-controlled areas. Thousands of Bosnians, Muslim and non-Muslims have been and are being raped, tortured and massacred everyday. How many thousands more must be killed and tortured before the UN decides to use force? Peace negotiations have proven futile again and again. Only force can bring about results. We cannot believe that the forces of righteousness will only assert themselves when their quarry will pose no lethal threat to their forces.

### **Consultations among Friends**

The tradition of regular exchanges of visits and consultations between the Prime Ministers and other leaders of Malaysia and Thailand has been well-established. This is a tradition that we in Malaysia intend to maintain and nurture, for this is the way it should be

among friends and neighbours. It is through such consultations that we have managed to solve many delicate issues between our two countries. So I look forward to more meetings with you and to your future visits to this country. I hope your visit to Malaysia this time, despite its brevity, will be an enjoyable and profitable one and that the reception and hospitality extended to you and members of your delegation will not be found wanting.

Being the newly elected Head of Government of an important and fast developing country, high expectations are placed in you by the people of Thailand. You have an enormous task ahead. May I take this occasion to wish you every success in carrying out your responsibilities.

## ***VISIT OF THE PRIME MINISTER OF JAPAN TO MALAYSIA***

**Speech by the Prime Minister at the official dinner in honour of Mr Kiichi Miyazawa, Prime Minister of Japan, in Kuala Lumpur on 14 January**

May I, on behalf of the people of Malaysia and on my own behalf, extend a warm welcome to Your Excellency and distinguished members of your delegation to Malaysia. We feel deeply honoured by your visit which reflects the close ties of friendship and coopera-

tion that exist between Malaysia and Japan. The discussion and exchange of views we had this morning on bilateral and international issues of common interest will no doubt enhance our understanding of each other and contribute to closer relations between our two



*The Prime Minister greeting his Japanese counterpart Kiichi Miyazawa during the latter's official visit to Malaysia.*

countries.

### **A Model for Malaysia**

We in Malaysia hold Japan in high esteem and admiration for its success in rebuilding itself from the ashes of the Second World War and emerging today as the leading economic power in the world. The achievement of Japan, a country with few natural resources, is attributable to a number of factors, not the least of which are the hard work, discipline and the high sense of motivation of the Japanese people. Today, Japan is able to share its resources to assist developing countries. Developing countries in Asia in particular, including Malaysia, have benefitted greatly from Japan's economic and technical assistance. The economic linkages that developed over the years have made Japan Malaysia's foremost trading partner and investor. May I, therefore, take this opportunity to thank you, Mr Prime Minister, and through you the government and people of Japan for the support and cooperation that have been extended to Malaysia.

In spite of the progress we have achieved over the years, Malaysia today remains a developing country. Our objective is to work towards becoming a developed country by the year 2020. In our quest for the fulfilment of this vision, we will continue to require access to capital, technology and market in the developed countries.

### **EAEC as a Regional Forum**

In an increasingly interdependent world, Malaysia had proposed the formation of the East Asia Economic Caucus. There is a tendency to think of regional groupings as a trade bloc. I would like to point out that ASEAN, one of the most successful regional groupings has been around for almost a quarter of a century without becoming a trade bloc. The ASEAN countries

individually and collectively have remained open to trade with the rest of the world. Yet the ASEAN countries have uniformly prospered. What I wish to point out is that regional groups need not become trade blocs in order to benefit from the grouping.

The idea of the EAEC was prompted by our ASEAN experience. It is not a trade bloc. It is to be a mere forum of countries in close geographical proximity which also happen to have common economic ambitions. Very often they are faced with common problems, as for example at the Uruguay Rounds of the General Agreement on Tariff and Trade. By acting separately they have not been able to influence the decision taken at such international trade talks. Quite obviously if they had taken a common stand and spoken with one voice, it would be difficult for the international community to ignore their common views. Since all the East Asian countries are trading nations, much dependent on a free trading system, they would be able to help preserve free trade and combat protectionism. A forum consisting of the countries of East Asia would enable them to come together to discuss these common problems and to decide on their common stand. The EAEC can be such a forum.

### **Economic Well-being of East Asia**

Presently Japan is the only East Asian country to be a member of the powerful group of seven nations. Japan recognises that the decisions taken by the Group of Seven can affect the economic well-being of the countries of East Asia. Accordingly, Japanese Prime Ministers have made it a practice to get the views of East Asian countries prior to attending a meeting of the Group.

This is very welcome. But since the views were given without prior consultation between the East Asian nations, it is more than likely that conflicting

views will be expressed. The subjects too may differ. As a result Japanese interventions at the group's meeting would be not as effective.

How much better and how much more representative Japan would be if prior to attending the G-7 meeting, a meeting of the East Asian countries is held and the most important common problem identified and a consensual stand arrived at. The Japanese Prime Minister would then be able to represent the East Asian countries more forcefully. This again should prove the usefulness of the EAEC.

Finally, as with the ASEAN countries, the countries belonging to the EAEC are bound to learn from each other the right approach to economic development. More than that they can help each other through investments and access to each others' markets. In the end, without ever closing their markets to trade with the rest of the world, the members of the EAEC are bound to prosper. Indeed, even now the process of learning from each other has yielded results. How much more successful will their development be if they sit around a table to discuss ways and means to help each other and to promote intra-regional trade.

We fully appreciate Japan's position. I merely want to explain that the EAEC is not a trade bloc. It is only a regional forum.

### **Peace and Stability**

It is a matter of great pride to us that many ASEAN countries including Malaysia, are now able to provide

assistance to and share their experiences with our other neighbours in Southeast Asia, now recovering from years of conflict and economic stagnation. We believe that helping these countries in their economic reconstruction and development and bringing them into the mainstream of Southeast Asian economic life through closer association with, if not membership of ASEAN itself, would contribute to the peace and stability of the entire region. Since assistance from the ASEAN countries alone would be rather limited, Japan's participation in the reconstruction of the states of Indo-China would make a valuable contribution to the peace and stability of the region.

The decision of the Japanese Government to send its troops on peace-keeping mission to Cambodia under the United Nations' auspices was indeed historic. Malaysia wholeheartedly welcomes the decision and hopes that Japan would participate fully in the peace-keeping activities of the United Nations.

During this short visit to our country, you would not fail to see the goodwill and admiration of the Malaysian people towards Japan. This is a feeling built over years of close cooperation and understanding between our two countries. Let us continue to build on this relationship and expand our cooperation into a strong and durable partnership that is mutually enriching.

We wish you and members of your delegation a pleasant and enjoyable stay in this country and hope that you will bring home with you favourable impressions about Malaysia.

## ***VISIT OF MAURITIUS'S PRIME MINISTER TO MALAYSIA***

**Speech by the Prime Minister Dato' Seri Dr Mahathir Mohamad  
at the official dinner in honour of the Right Honourable Sir Anerood Jugnauth,  
Prime Minister of Mauritius, in Kuala Lumpur on 8 February 1993**

It is with great pleasure that my wife and I welcome Your Excellency and Lady Jugnauth and members of your delegation to Malaysia. Your Excellency is no stranger to Malaysia having visited us during CHOGM in 1990. May I say how delighted and honoured we are this evening to once again extend our warm welcome to you and your delegation on your first official visit to Malaysia.

### **Economic Collaboration**

My wife and I recall with fond memories my first official visit to your beautiful country 5 years ago. We also recall with pleasure the warmth and kindness with which you and the people of Mauritius received us. The visit had not only strengthened our bond of friendship but provided me and my delegation with a better understanding of the rapid development that you had achieved in Mauritius. I am happy to say that the visit had also laid the foundation of enhanced economic collaboration between our two countries. Several ministerial and business visits have taken place between our two capitals since then. The private sectors in our two countries have actively explored the opportunities available in each other's country. We have at present four Malaysian companies operating in Mauritius. Our trade has significantly increased in the last 4 years. More importantly, the distance between our two countries has been bridged with the operation of the joint-

weekly flight between Malaysia Airlines and Air Mauritius. Despite this notable progress in our bilateral economic relations, I believe there are still many areas that remain unexplored. Your current visit to Malaysia, I believe, will not only provide you with the opportunity to familiarise yourself with Malaysia's developmental experience, but more importantly, to explore and consolidate new areas of cooperation. The meeting we have had this afternoon offers us the opportunity to review the areas achieved in the various bilateral projects agreed upon during my official visit and to identify new possibilities. May I avail myself of this occasion to urge the private sector of both countries to seize the opportunities for increased trade, investment and economic cooperation that are available.

### **South-South Cooperation**

You probably agree with me that what brought us together is the mutual realisation that countries of the South have much to offer each other in terms of economic cooperation and in other aspects of development which can make a meaningful contribution to our efforts at enhancing our economic growth. Many countries in the South have developed skills and expertise as well as agricultural and industrial capacities which can be of benefit to other countries. In this context, Malaysia firmly believes that South-South cooperation is not only possible but also practical. We have since 1981 started a modest technical cooperation



*The Prime Minister and his wife, Dato' Seri Datin Paduka Dr Siti Hasmah bte Mohd Ali sharing views with Mauritius Prime Minister Sir Anerood Jugnauth and Lady Sorjini Jugnauth.*

programme as a manifestation of our commitment of South-South cooperation and I am pleased to note that the programme has been well received by the Mauritius Government. Malaysia will continue to share its experience and contribute within its modest means to make South-South cooperation more effective.

We believe that South-South cooperation has begun to bear fruit with the initiative and programme undertaken at the G-15 forum. At its third Summit in Dakar, Senegal, in November 1992, a "South Invest-

ment, Trade and Technology Data Exchange Centre" (SITTDEC) with its Headquarters in Kuala Lumpur was officially launched. The Centre will function as the "yellow pages" for the business communities to increase trade and investments among countries in the South. The setting up of SITTDEC, using up-to-date information technology will help to promote economic cooperation and trade among developing countries. I would like to take this opportunity to invite Mauritius to subscribe to this newly established facility which I believe will contribute towards your country's economic growth.

## **Democratise South Africa**

As members of the South, NAM and the Commonwealth, our two countries share similar views on many international issues and have cooperated closely in promoting and advancing the shared interests. One of the areas where we share similar concerns is with regard to South Africa. While we welcome the changed attitude and efforts of the Pretoria regime to scrap the remaining vestiges of apartheid, Malaysia strongly feels that more rapid progress is necessary for the creation of a truly non-racial and democratic South Africa. While we urge the Pretoria regime to redouble its efforts in making a reality of its promises, we also urge all parties concerned to demonstrate closer understanding and cooperation to ensure the early resumption of the negotiating process under CODESA or any other mutually agreeable forum. Malaysia feels that South Africa, with all its potentials, should strive hard to take its rightful place among the family of nations. Towards this end, the transition towards the establishment of an interim government for the eventual realisation of a democratic, non-racial and united South Africa is more urgent than ever.

Malaysia is also encouraged by the political and economic adjustment programmes towards liberalisation and deregulation currently enforced in many states in Africa. We welcome this development and hope they will achieve the goals for the economic well-being of the people of Africa. Your country, Mr Prime Minister, can take pride in its pioneering role in introducing similar reforms many years ago and now you have become a role model for your neighbours.

## **World Order**

The end of the cold war had initially promised some new hopes for the world to work for an equitable and just world order. Such hope appears dim judging from recent developments in many parts of the world. What we see before us is the propensity of the strong and the powerful to inflict heavy-handed actions on weaker states. The selective application of UN Resolution is a case in point.

In the economic domain, free-trade is no longer free. Various tariff and non-tariff barriers, such as introduction of eco-labelling, self-serving human rights indices, and discriminatory and punitive taxes have continued to stand in the way of free trade. These deliberate obstacles are threats to the economic well-being of many developing countries for whom external trade constitutes an increasingly important source of their foreign exchange earnings.

I am certain that your visit to Malaysia will provide you and your delegation with the opportunity to see for yourselves the potentials to further consolidate and expand our bilateral economic cooperation for mutual benefit. I am sure too, that your visit will contribute significantly to the overall strengthening of our bilateral relations in the years to come.

Once again, allow me to repeat how happy we are to have you and Lady Jugnauth as our guests. I hope you and your delegation will have a fruitful and an enjoyable stay in our country.

# ***11th GENERAL SESSION, AFRO-ASIAN RURAL RECONSTRUCTION ORGANISATION (AARRO) CONFERENCE***

**Keynote Address by Deputy Prime Minister, Mr Ghafar Baba at the Conference,  
in Kuala Lumpur on 8 February**

On behalf of the Government and people of Malaysia, let me first of all bid you a warm welcome to Kuala Lumpur and to this Eleventh General Session Of The AARRO Conference. I hope this Conference will be successful in bringing about greater cooperation among the member countries in developing our rural areas.

You are aware that in Asia 40% of the population are poor while in Africa some 33%. These incidences are of serious concern, more so if viewed in absolute terms. It reminds us of the daily struggle for survival of a large number of the population. The other socio-economic indicators paint a similar picture. Only 62% of the Asian population is considered literate and the figure for Africa is worse at 45%. It seems that poverty and low literacy levels go hand-in-hand.

## **AARRO Programmes**

Obviously, AARRO as an international body created for accelerating rural transformation, is very relevant to realize the objectives of upgrading the lives of the rural people. But, AARRO must re-examine itself, its strengths, weaknesses, resources at its disposal, its programmes, its emphasis, targets and achievements. It is my view that some of the following areas could be considered by us together.

Firstly, we will have to evaluate the programmes and projects undertaken thus far from the point of view of impact and costs. I believe that programmes and projects will be more effective and far-reaching if they are clearly focussed and carefully prioritised.

Our experience in Malaysia has shown that programmes and projects aimed at helping the poor, especially those in the rural areas can be very effective if the clientele or target group is carefully and clearly identified and the projects directly focussed on them. Such concerted and sustained efforts have reduced relative poverty from 42.2 per cent in 1970 to 17.1 per cent in 1990, reflective of the success of such measures.

New and innovative ideas should be encouraged to fine tune the approach from time to time. Full participation of the rural people and the spirit of self-help are also important. Equally important is learning from past experiences and mistakes.

Secondly, resource constraints, both in terms of finance and planning and implementation capability of AARRO require it to identify and classify its programmes in terms of those that will have direct impact on the poor and other target groups, as well as those whose 'pay-offs' in the long term will be substantial.

## **Upgrading Management and Production**

In most of our countries, the majority of the poor are in the rural areas and the main activity is agriculture. What happens to agriculture can be a drastic impact upon their well being. More efforts therefore must be given to enhance productive capability and improvement skills to upgrade farm management and methods of production.

At the same time, the scope of agricultural activities should not be limited only to crop cultivation, but it must be widened to include strengthening their linkages between agriculture and other sectors in the economy. Agro-based industries, although they are difficult to be set up and be viable, have the power to improve productivity and therefore incomes in the rural areas.

Visits and exchanges of technical personnel and information, which is already part of the training programmes of AARRO could be strengthened. Such visits and exchanges have a substantial potential for inducing innovations in methods of cultivation and related agricultural activities. An exchange programme in a clearly identified field of training or subject matter will provide a good channel for transfer of knowledge. Human resources development which is so important to us, is by nature very dispersed. Therefore efforts to consolidate the wide ranging experiences among member countries should be given importance here.

## **Food Supply**

Food security is also one of the basic issues in achieving rural development. It is obvious that the availability of sufficient food can have a major impact on the welfare of the rural people. Food aid, for example, has been instrumental in helping some member countries. Food aid however has also resulted in changes in

consumption habits and has a 'snowballing' effect leading to over-reliance on such supplies. This again emphasises the need to build up the capability of increasing domestic food supply without ignoring the comparative advantage factors.

In the light of the current and expected challenges facing AARRO member countries, it may also be necessary to reexamine the strength and the orientation of the AARRO secretariat. It becomes increasingly necessary to link AARRO's programmes with other international project funding agencies (IPFA). This will enable the AARRO not only to supplement but complement international efforts in rural reconstruction and development.

Similarly, policy wise, any effort in developing rural areas must be intergrated with other development programmes in the country. It is a mistake if we develop rural areas in isolation of other complementing factors such as the development activities which take place in the surrounding areas or in the nearest cities. The effective integration between rural and urban development which has been realized in some member countries has produced higher growth rate.

## **South-South Cooperation**

Each of us at one time or other has experienced difficulties in having access to markets for our products in developed countries. In addition, we have to face fluctuations in prices of our exports of primary products as well as declines in the real terms of trade. South-South cooperation becomes necessary amongst AARRO countries not only to identify, promote and develop trade opportunities among us, but also in dealing with the developed countries in matters of trade. The much heralded "level playing field" is mere rhetoric. We have to combine our efforts and strengthen ourselves to ensure that we are equal partners in world trade and

development.

Many countries in the South have developed skills and expertise as well as agricultural and industrial capacities which can benefit all developing countries. But we are still far from taking advantage of the potential and opportunities in South-South trade, investment and technology transfer among ourselves. It is now left to us to take advantage of the potentials for bigger cooperation.

It is crucial for the member countries to work towards the strengthening of our cooperation. It is as

a manifestation of our believe in such cooperation that Malaysia is willing to share its experience and whatever expertise it has with member countries.

I now, with great pleasure, declare open the 11th General Session of the AARRO. May you have a fruitful discussion over the next few days in charting the future courses of our august Organisation, for the next triennium. I also hope that despite your hectic schedule, you would be able to take some time off to see the beautiful sites in and around the garden city of Kuala Lumpur.

### **Speech by the Minister of Agriculture, Datuk Seri Sanusi Junid at the Conference on 8 February**

For the next few days, the 11th General Session of the Asia-Africa Rural Reconstruction Organisation (AARRO) will be in session to contemplate upon and arrive at concrete programmes and projects to be undertaken by the AARRO, in the next triennium.

#### **Role of AARRO**

30 years of existence of the AARRO is indeed quite a long time. Since its birth in 1962, the AARRO has indeed contributed significantly towards rural reconstruction in our countries. We have met at many similar fora at both the executive, planning and technical levels, and despite the numerous encumbrances faced, we, the AARRO have managed to overcome them with our high level of commitment and perseverance. The 11th General Session in Kuala Lumpur is another such opportune moment for us to reflect on our achievements thus far and plan for the future programmes of the AARRO.

The AARRO is still, in our view, very relevant in meeting the many challenges that affront us. Poverty, for instance, both rural and urban, and, in our context, rural, is still rife in our countries and must be addressed with a sense of urgency. The existence of poverty brings to fore the need for equity to be accompanied with growth, as both these aspects cannot be divorced. Growth alone will not achieve our national aspirations of achieving national integration and harmony, and the

many incidences of discontentment arising from the inadequacies in equity and the distribution system around the globe bear testimony to this. However, to effect equity, we must have growth, in the first instance.

#### **Assistance to Members**

The AARRO must continue to assist its member countries to promote growth and equity. New sources of growth, apart from agricultural and food production must be identified, such as in the area of agro-tourism, and AARRO must continue to provide the "soft-ware package" in terms of technical training and extension. The AARRO must also pursue its noble intentions of instilling self-help and self-reliance amongst its members. We must at the same time be an organisation that will continue to grow from strength-to-strength in the face of adversities that continually face us.

Malaysia remains committed to the AARRO just as we remain committed in our mission to address poverty and rural reconstruction in Malaysia. We have benefitted significantly from the various technical exchange fora that have been undertaken by the AARRO. The technical programmes of the AARRO have assisted our officers in undertaking planning and implementation of agricultural and rural projects, apart from providing them invaluable insights on the experiences of other AARRO countries. The AARRO must and will prevail even in today's changing global environment of international economics.

# ***DIPLOMATIC TRAINING COURSE FOR FOREIGN SERVICE OFFICERS OF THE CENTRAL ASIAN REPUBLICS***

**Speech by Dato' Seri Ahmad Sarji bin Abdul Hamid, Chief Secretary to the Government  
at the closing ceremony on 4 March**

I would like to thank the Institute of Diplomacy and Foreign Relations for inviting me to formally close the Diplomatic Training Course for the Foreign Service Officers of the Central Asian Republics. This is the first project offered to the Governments and peoples of the newly independent States of the Central Asian Republics under the Malaysian Technical Cooperation Programme (MTCP).

## **Diplomatic Knowledge and Skills**

I would like to take this opportunity to congratulate all the nineteen course participants from the Republics of Kazakhstan, Kyrgyzatan, Turkmenistan and Uzbekistan, for having been selected by your respective governments to attend this three-month diplomatic training course. I hope that the course has helped to enhance your knowledge and skills in diplomacy and foreign relations. You belong to that special group of people known as 'diplomats'. I am sure you have heard of the light definition of a diplomat. If a diplomat says yes he means perhaps, when he says perhaps he means no, and when he says no, he is no diplomat. We hope that through you, the foundation for a useful networking between Malaysia and your countries in the years to come has been laid.

We believe that for maximum impact, a course such as this must combine formal classroom activities on diplomatic skills and knowledge, with visits to and

briefings by Malaysian Government Agencies. I hope that your visits to the States of Pahang, Terengganu, Melaka, Pulau Pinang and Sarawak have led you to understand the dynamics of development in Malaysia. We have also exposed you to our Foreign Minister and our Prime Minister. We hope that these opportunities have provided you with first hand information that you might find useful as you become involved in the development of your own countries in the future.

## **Communication Technology**

As diplomats, you will be involved in the management of foreign relations of your respective countries. Modern day relations amongst nations have grown increasingly complex due to the advancement of communication technology and the ever changing global environment. No single nation can stand on its own. Cooperation among nations is the ideal objective of diplomacy achievable through both bilateral or multi-lateral contact. Your republics of Kazakhstan, Kyrgyzatan, Turkmenistan and Uzbekistan are newly independent states. Your countries are the product of the end of the Cold War. As young nations, you are at the beginning of the search for a place in the world community. Apart from strengthening and consolidating your domestic policies, you will be looking around the world for friends to help you in the nation-building process. Newly emerging states like yours who aspire for political stability, national development and eco-

conomic growth, demand a great deal from their diplomatic officers in the effort to gain more friends and increase cooperation between your nations and the rest of the world. Being newly independent countries, among other things, external trade, foreign investment, tourism, and other areas are the key sectors that need assistance and cooperation from friendly countries. In essence, economic diplomacy is an essential tool of national development. It requires strategic thinking. Create a demand for your products and services, any way you can.

### **Economic Diplomacy**

Malaysia has given increasing emphasis to economic diplomacy. Training and acquiring skills in these areas are the main emphasis of the courses at this Institute. I am pleased that the Institute has exposed you to some aspects of economic diplomacy through courses such as International Economics and International Trade Laws.

### **Maintaining Contacts**

For you, as former states of the Soviet Union, I have no doubt you will continue to maintain useful contacts with Russia and other former States of the Soviet Union for traditional and historical reasons. You can't have a better tomorrow if you are thinking about yesterday all day today. We make our future by the best use of the present. Your diplomatic horizon will surely widen. This extension will bring you into contact with new regions and new countries such as Malaysia where mutually beneficial relations can be forged. I hope that your stay here in Malaysia has created a certain level of awareness of the potential that this region and in particular Malaysia has to offer.

On behalf of the Malaysian Government I once again congratulate you for having successfully completed this course. I hope that this training programme will benefit you personally and that the bonds of friendship which you have developed at this Institute will be strengthened further. I bid you bon voyage and a safe journey home. I am, therefore, pleased to officially close the Diplomatic Training Course for Foreign Service Officers of the Central Asian Republics.

***STATEMENTS MADE OVERSEAS***

# ***UN COMMITTEE ON THE EXERCISE OF THE INALIENABLE RIGHTS OF THE PALESTINIAN PEOPLE***

**Statement by Ambassador Razali Ismail, Permanent Representative of Malaysia at the Meeting,  
in New York on 26 January**

Allow me at the outset to convey my congratulations to you upon your unanimous election as the Chairman of the Committee on the Exercise of the Inalienable Rights of the Palestinian People as well as to other members of the Bureau upon their election today.

## **Justice for the Palestinians**

My delegation is confident that under your Chairmanship this Committee will continue to perform its duty to sensitize and galvanise support as widely as possible both within the General Assembly and the Security Council and beyond, concerning the rights and the plights of the Palestinians.

Our meeting today is taking place at an important point in the struggle of the Palestinian people for their inalienable rights and justice. I believe it is crucial that this Committee at this juncture should carry out its work in parallel with the Security Council. The time has come for the Council to treat issues affecting the interests and welfare of the Palestinians with a sense of justice and commitment.

We all welcome the ongoing peace process on the Middle East, but at the same time we are concerned over the lack of progress with regard to the substantive aspects of the negotiations and the deteriorating situa-

tion affecting the safety and protection of Palestinians in the occupied territories.

## **Peace Process**

The deportation of more than 400 Palestinian civilians on 17 December 1992 constitutes yet another serious contravention by Israel, as the occupying power, of the 1949 Fourth Geneva Convention and the relevant Security Council resolutions on the issue. In this latest act of illegal deportation, it is regrettable that the new Israeli government which is said to be committed to the cause of peace has chosen to defy Security Council resolution 799 of 18 December 1992.

It has been more than two years since the Security Council adoption of resolution 681, in which Malaysia was involved and during that period no serious effort has been made by the Security Council to address the plight of the Palestinian people in the occupied territories. The Malaysian delegation has repeatedly been urging the Security Council to follow-up on the provisions of the resolution 681 of 1990 as we believe that the establishment of a United Nations monitoring mechanism to ensure the safety and protection of Palestinian civilians in the occupied territories would provide a very useful measure of confidence which would in fact help to facilitate the peace process itself. Malaysia has always maintained that Israel cannot be

engaged in the peace talks and at the same time be allowed to brutalise the Palestinian people in the occupied territories and defy Security Council resolutions including the illegal deportations of Palestinians which constitute a gross violation of the 1949 Fourth Geneva Convention.

The Malaysian delegation would like to pay tribute to the Secretary-General for his courage, sense of justice and steadfastness in presenting his Report in pursuant of Security Council resolution 799 (1992), contained in Security Council Document S/25149 dated 25 January 1993.

#### **Upholding the Credibility of the United Nations**

We welcome the intention of the Secretary-General to initiate discussions with the Israeli authorities regarding the establishment of a United Nations monitoring mechanism in the occupied territories as suggested in paragraph 7 of resolution 681 (1990).

Malaysia has long been complaining about the double standard in the way the Security Council has been dealing with the question of the Palestinian issue. For far too long, the Council has allowed Israel to get away with its repeated defiance of the international law and Security Council resolutions because of the protection given to Israel by a member of the Council with a

veto power. As such, the Malaysian delegation fully supports the observations and recommendation made in paragraph 18 of the Secretary-General Report contained in document S/25149 dated 25 January 1993 which amongst others calls on the Security Council to take whatever measures are required to ensure that its unanimous decision as set out in resolution 799 (1992) is respected by Israel. My delegation fully shares the view expressed by the Secretary-General that what is stake here is the credibility of the Fourth Geneva Convention, international law and international organisation and if I may add in particular the credibility of the Security Council. Hence, the Security Council is now duty bound to take whatever measures are required to ensure Israeli compliance with resolution 799 (1992).

In conclusion, I would like to urge the Committee and all member states of the United Nations to support the appeal made by the Palestinian delegation for justice and upholding of international law to ensure that the Palestinian deportees are returned to their homes. Israel, the occupying power must be made to fulfil its obligation under the Fourth Geneva Convention and the demand of Security Council resolution 799 (1992). As a member of this important Committee I would like to give the assurances of my delegation's full support and cooperation with all your endeavours in pursuit of the inalienable rights of the Palestinian people.

## ***ASEAN STAND ON THE PEACE PROJECT IN CAMBODIA***

**Statement by Datuk Abdullah Ahmad Badawi, Minister of Foreign Affairs on Cambodia,  
delivered on 15 January**

Upon the recommendation of the ASEAN Senior Officials Meeting (SOM) which was held in Singapore 12 - 14 January 1993 and following consultations, the ASEAN Foreign Ministers, have agreed to issue a statement today on the holding of a Presidential election in Cambodia. The decision has been prompted by the urgent need to ensure that the peace in Cambodia could be implemented by UNTAC without hindrance. Malaysia fully supports the ASEAN position.

### **Call for a Period of Calmity**

Malaysia and the other ASEAN countries have been concerned over the recent developments in Cambodia. It is our view that all efforts must be taken to ensure that the violations of the ceasefire arrangements and the increasing incidents of political harassment, intimidation and assassination would not continue and that a climate of peace and a neutral political environment would prevail in Cambodia to enable general elections to be held in May 1993. ASEAN, together with the Permanent Five of the United Nations Security Council and other countries have extended a lot of time, energy and resources to find a just and durable solution to the Cambodian problem. Therefore, it is important that all parties concerned should ensure their full cooperation to achieve that objective.

Malaysia holds the view that an early Presidential election would be a positive step towards achieving the

objective of a comprehensive and durable settlement in Cambodia. We welcome and fully support HRH Samdech Norodom Sihanouk's announcement of 8 January, indicating his readiness to be a candidate for the Presidential election to be held in April or May 1993. Malaysia reiterates her full support of Prince Sihanouk's current role as President of the SNC. We call upon all the Cambodian parties to give their full cooperation to him.

### **Support for UNTAC**

Malaysia reaffirms her support for UNTAC in the discharge of its duties and responsibilities in Cambodia. In this respect, we strongly believe that it is important for all the Cambodian parties to cooperate with UNTAC and to respect fully the provisions of the Paris Peace Agreements. We especially call upon the Khmer Rouge to accept and abide by the provisions of the Paris Agreements which the Khmer Rouge is signatory. The Khmer Rouge must comply with its obligations to the Paris Peace Agreements.

Malaysia would continue to undertake efforts together with the other ASEAN countries and others concerned to ensure that the Cambodian peace process would move along and achieve its objective. We fully support the efforts of the UN Security Council pertaining to Cambodia and are ready to comply with all the Security Council resolutions on Cambodia.

## ***FORTY NINTH SESSION OF THE COMMISSION ON HUMAN RIGHTS***

**Statement by Dato' Musa Hitam, Head of the Malaysian Delegation on Agenda Item 4: Question of the Violation of Human Rights in the Occupied Territories, at the United Nations in Geneva on 4 February**

At the outset, I would like on behalf of the Malaysian delegation, which is participating here as a member of the Commission for the first time, to extend our warmest congratulations to you and members of the Bureau on your elections. Under your able stewardship, I am sure that this Session of the Commission will come to a fruitful conclusion. On our part, the Malaysian delegation offers our fullest cooperation.

### **Palestinian People**

At various UN and other fora, Malaysia for years has been calling for international pressure and action to get the Israeli government to abide by the relevant UN resolution and the 1949 Fourth Geneva Convention on the treatment of Palestinians in the occupied territories, including Jerusalem. Year after year, since 1968, this Commission has been addressing the question of gross Israeli violations of the human rights of the Palestinians in the occupied territories. With each passing year, the situation is getting worse and worse, particularly since the Israeli repression of the intifadah more than four and a half years ago.

While occupation itself provides a cover for human rights violations, the Israeli authorities have been using the pretext of putting down a legitimate Palestinian uprising to commit one of the most cruel repressions

in contemporary history. Indiscriminate and excessive use of force by the Israeli authorities has caused a heavy toll of Palestinian casualties, including women, children and the elderly. The Israelis are creating a climate of fear and tension through the systematic use of collective punishment, physical abuse, demolition of homes, closures of schools, curfews and deportations. The situation has been exacerbated, according to the report of the "Special Committee to investigate Israeli practices affecting the human rights of the Palestinian people and other Arabs in the occupied territories" by the increasing use of undercover agents and the relaxation of open-fire regulations. The Israeli authorities have even gone to the extent of deliberately intimidating UNRWA officials and disrupting the work of UNRWA, when they are fully aware that UNRWA is so crucial to providing social, educational and health services to the Palestinians, especially those in the refugee camps.

On top of all these cruelties, the Israelis have been taking measures to further undermine the already difficult economic conditions of the Palestinians through the use of such tools as harsh taxation policies and administrative regulations. At the same time, Palestinian lands are continually being taken away and scarce water resources exploited at the expense of Palestinian needs and rights. Despite the agreement on settlement freeze, illegal construction activities are continuing in

the occupied territories, particularly in East Jerusalem.

### **Israeli Abuses**

Israel has not only been defying the international humanitarian law and relevant UN resolutions, but is also has the gall to ask the international community not to 'interfere' with its policies in the occupied territories since as it claims the government is presently engaged in the Middle East peace process.

Malaysia and many other countries sympathetic to the plight of the Palestinians, on the other hand, have been urging the UN to be directly involved to protect the Palestinians from Israeli abuses. When Malaysia was a member of the Security Council, we had played an active role in pushing through, along with a number of Non-Aligned countries, the passage of Security Council resolution 681 (1990), intended to provide a UN mechanism to monitor and ensure the safety and protection of Palestinians in the occupied territories. We believe that such a UN monitoring mechanism is even more valid today as it would also help to build a climate of trust and confidence, which would in turn help to facilitate the Middle East peace process. Indeed, Malaysia could not comprehend how certain countries, strong advocates of human rights on third world countries, could accept as compatible the Israeli gross violations of human rights and international humanitarian law with its participation in the Middle East peace process, which in any case has yet to show any substantive progress. At the very least, the Israelis must not be allowed to continue using the peace process as a cover for their inhumane repression of Palestinians in the occupied territories.

In recent weeks, millions of viewers around the world have been watching on their television sets the

plight of some 400 Palestinians whom the Israeli authorities have forcibly deported to the harsh winter conditions and wilderness of occupied southern Lebanon. The Security Council condemned the Israeli action and in its resolution 799 (1992) called for the unconditional and immediate return of the deportees to their homes.

The Secretary General has exhausted his diplomatic efforts to obtain Israeli compliance with Security Council resolution 799. In his report, pursuant to resolution 799, the Secretary General stated that this latest act of Israeli defiance of Security Council resolution must be viewed against a long list of its rejections of Security Council and other UN resolutions, and violations of international law. Since Israel for years has been enjoying the protection of a certain prominent member of the Council, its leaders seem oblivious to the dramatic changes taking place around the world and they continue to behave as if Israel is somehow above the law.

### **New Approach**

The time for the Security Council to change its attitude and approach towards Israel is now. In this regard, Malaysia would like to pay tribute to the Secretary General for his courage and sense of justice in the presentation of his report. Conscious of the history that the Council has long been accused of adopting a double standard towards Israel, the Secretary General concluded that it was his duty to recommend to the Council to take whatever measures are required to ensure that its unanimous decision as set out in resolution 799 is respected. Towards this end, Malaysia and other OIC countries fully support current move by the Arab Group to introduce a Chapter VII draft resolution before the Security Council. Malaysia

also shares the view expressed by the Secretary General at a meeting of "the Committee on the Inalienable Rights of the Palestinian People" in New York last week in that Israeli defiance of resolution 799 undermines the credibility of the 1949 Fourth Geneva Convention, international law and international organisations, and if I may add, the credibility of the Security Council and the whole UN system. As such, the Council must not accede to any partial solution offered by Israel. Those friends of Israel who may be tempted to use their influence in the Council to accept a solution less than those demanded in resolution 799 (1992) must be told that such action would only undermine the credibility of the Council itself.

This Commission, which has all these years seen its recommendations ignored by the Israeli authorities, should in the view of my delegation, give its full support to the Secretary General's report and the full imple-

mentation of Security Council resolution 799. It is the Commission's job to focus on protecting the human rights of the Palestinians in the occupied territories. The Commission should not allow its attention on the question of the human rights of the Palestinians to be diverted and to be confused by the excuse that the Middle East Peace process is ongoing. Our relevance here in this hall is on human rights. We are the Human Rights Commission of the UN. The credibility of the Commission is at stake. We cannot afford to send a mixed signal to Israel. Israel must be told in no uncertain terms that it must comply fully with the provisions of resolution 799, and as an occupying power, it is obliged to fulfil its obligations under the 1949 Fourth Geneva Convention, as well as, respect the relevant Security Council and other UN resolutions regarding the human rights and treatment of Palestinians in the occupied territories.

## ***PRIME MINISTER IN BANGLADESH***

**Address by the Prime Minister Dato' Seri Dr Mahathir at the luncheon meeting with the Federation of Bangladesh Chambers of Commerce and Industry in Dhaka, on 13 February**

I would like to thank you for inviting me to meet with the distinguished members of the Federation of Bangladesh Chambers of Commerce and Industry and to share some thoughts on the opportunities and how best to strengthen economic and commercial relations between Bangladesh and Malaysia. I have with me here today a number of prominent members of the Malaysian private sector, some of whom already have business ties with Bangladesh. They are all very interested in further strengthening bilateral commercial ties between our two countries.

### **A Framework for Cooperation**

Bangladesh and Malaysia have always enjoyed close and cordial links. This can be attributed to our association in the Commonwealth and the common stands we share in the various fora of the United Nations. The long history of people to people relationships has also contributed to these links. On the trade and economic front, our two governments have consciously and systematically laid down a strong framework for cooperation such as those embodied in our Bilateral Trade Agreement and the formation of the Bilateral Joint Commission.

In spite of this, the value of trade between our two countries is still small and trade is confined to only a few products. For example, total two-way trade in 1991 amounted to US\$56.8 million and for the first nine months of last year was valued at US\$51.0 million. Over the last five years Bangladesh accounted for around 0.1 per cent of Malaysia's total trade whilst

Malaysia accounted for about 0.5 per cent of total trade of Bangladesh.

### **Economic Opportunities**

It is clear that our two countries are very much dependent on the North both in terms of markets for our products and in terms of sources of our imports. Although our dependence on the North will continue, we should not foreclose prospects and opportunities to strengthen economic and commercial ties with countries of the South. This becomes all the more imperative given the current uncertainty of the conclusion of the Uruguay Round of multilateral trade negotiations, the formation of NAFTA and the consolidation of the single European market. While we must continue to attach importance to a successful conclusion of the Uruguay Round, we must continue to pursue efforts at diversifying our markets. The South can offer us much opportunity.

I am happy to note that Bangladesh has made significant progress towards tariff rationalisation and reduction, as well as towards greater transparency and simplicity in import procedures. That Bangladesh has embarked on an industrial policy that encourages greater foreign participation and introduced a series of privatisation, deregulation and liberalisation measures since the last two years, is indeed commendable. Malaysia's own experience in these areas has resulted in greater trade and investment flows, leading to greater technological development as well as higher efficiency and productivity levels. In effect, liberalisation mea-

asures undertaken by developing countries will bring about the emergence of growing markets in the South.

It is also evident that the countries of the South have made efforts unilaterally and collectively to enhance trade amongst themselves. The network of Bilateral Trade Agreements, Investment Guarantee Agreements and Bilateral Payment Arrangement are evidences of such efforts. Projects that have been launched by the G-15 include the South Investment and Trade Technology Data Exchange Centre (SITTDEC) and the strengthening of the generalised system of trade preferences among developing countries (GSTP) can complement bilateral efforts towards increasing trade, investment and technology flows in the South. At the regional and sub-regional levels, our experience in economic and trade liberalisation, initially on a preferential basis and confined to members of respective groupings, will bring about higher efficiency and competitiveness which will spur liberalisation on a most-favoured nation basis.

### **Links with South Countries**

In Malaysia, we have embarked on a serious drive to enhance economic and commercial links with developing countries in our effort to enhance trading within the South. The Malaysian private sector has kept pace with this drive and has established contacts and networks in many developing countries, resulting in greater two-way flows of trade. Although we are still dependent on the in-flow of foreign direct investment, the Malaysian government now encourages Malaysian businessmen to venture out and invest overseas. I am confident that the current level of joint-venture tie-ups

between our two countries will continue to increase, given the pull factor derived from the liberal industrial policy embarked upon by Bangladesh, and the push factor derived from Malaysia's policy on reverse investment.

### **Participation of the Private Sector**

It is therefore pertinent and timely for you who represent the private sectors of Bangladesh and Malaysia to continuously take stock of such policy changes with the view to intensifying joint-venture efforts and commercial links. At the level of chamber to chamber cooperation, you both have a convenient vehicle namely, the Memorandum of Understanding concluded between the two Chambers of Commerce and Industry. The degree of success in our bilateral efforts to bring our two countries closer in the economic and commercial field depends on how serious and committed the private sector of our two countries are in strengthening these links.

Our own experience in development have proven that Malaysian entrepreneurs have the capacity to develop some expertise in certain fields. Some of the Malaysian private sector personalities who have come with me here today have developed expertise in sectors such as mining, plantations, construction, tourism development, processing and manufacturing of resource-based products. We are aware that Bangladesh entrepreneurs have also developed expertise and capabilities in various fields. I am confident that the meetings and discussions that you will have today will reveal complementary ties that can be translated into viable commercial projects.

## **Speech by the Prime Minister at the Civic Reception held at the Parliament in Dhaka on 13 February**

It gives me great pleasure to be in this historic city of Dhaka again. I wish to thank Mayor Mirza Abbas for hosting this grand civic reception and for his kind words. It is a great honour indeed for me to receive the key to Dhaka city as a symbol of the close and brotherly ties that exist between our two countries.

In standing before you here today, I am deeply conscious of the simple yet majestic Jatiyo Sangshad Building behind me. Our gathering in the shadow of your magnificent parliament is indeed significant in manifesting our respect for the 'house of the people' and commitment to the principles of democracy.

### **Democratic Government**

Our two countries have a common faith in democratic and representative government. We believe in elections and the rights and freedom of the common man to choose leaders and governments of his own. Through blood and tears, through pain and frustration and, frequently, through trial and error we have evolved our own democratic systems to meet the aspiration and the ideals of our societies.

The democratic system is, however, only a means to an end. The ultimate goal is social and political stability for the pursuit of economic development and well-being. Democracy cannot exist for the sake of democracy alone. Democracy is meaningless if it fails to enhance the well-being of the people and if turmoil and disorder becomes the way of life. Legitimacy in government attained through the democratic process should lead to the promotion rather than the regular

disruption of legitimate social, political and economic activities. It is essential therefore that democracy and development in all fields go hand in hand without the former being a liability to the latter.

### **Well-Being of the Masses**

No developing country however, could be expected to practise the so-called 'perfect democracy', as is understood by the West. Indeed even for the West what is perfect today will be defective tomorrow. The basic priority should be the rapid economic development for the benefit of the people. Expecting developing countries to forego development in favour of an alien concept of a perfect democracy can lead to the actual demise of democracy itself. Exercising absolute democratic rights should not outweigh the need for stability and the general well-being of the people. In all things there must be moderation and accommodation.

The provisions of a democratic system are no guarantee for success. Each democratic nation therefore, big or small, developed or developing, has still to shape its own destiny and find its own place in the international community. It has to live with all the strength and resources that it has and the weaknesses that it inherits. It has to be guided by the wisdom and vision of its leaders, the administrative skills of its bureaucrats, the entrepreneurial dynamism of its private sector, the discipline of its students and workers, the loyalty of its armed forces, and most importantly perhaps, the support of its people. Hard work of course remains the key ingredient without which no policies, however sound, could be successfully implemented.

### **Self Restrain and Discipline**

In a world of inequitable distribution of wealth and opportunities it is only fair to see those who are better off giving to those in need. Many a time however, donors can be most patronising. Worse still, donors can sometimes be unnecessarily severe in their criticism of the policies and practises of the recipients. It is as if the ability to give is also a licence to preach and to arrogate to the donors the right to shower advice that is not solicited. Frustrations therefore arise on the part of the recipients when the sheer need for aid means having to accept conditionalities and priorities determined by the donors.

For this reason Malaysia has struggled hard to free itself of economic dependence in order to make political independence gained in 1957 meaningful. It has not been easy or completely successful, but then nothing that is worthwhile is easy to come by. We accept the need to exercise self restrain and discipline in order to free ourselves from submission to the will of others. Independence has a price. Nothing in this world or the next is free.

### **A Clear Vision**

Malaysia believes that its strength could only come from deep within itself including the radical mobilisation of whatever resources it has. It has to have a clear vision

and be able to look to the future while drawing upon the lessons of the past. It has to devise its own formula for success bearing in mind its peculiar circumstances, historical experiences, socio-cultural condition and level of economic development. It believes that in the final analysis each nation has to fend for itself and that respect from others could only be won if it can manage itself better than when it was governed by others.

I believe that Bangladesh too has the same aspiration. You now have the opportunity to strive for the good of your people. Their voices could now be heard loud and clear through the Jatiyo Sangshad. With the strong commitment of a fair government and the support of its industrious and peace-loving people, rapid development would certainly come about.

Malaysia is a developing country like Bangladesh. We feel we have much to learn from each other's experience. We fully appreciate the many problems confronting the Bangladeshi Government as it tackles the various impediments including natural hazards and calamities in the process of creating a progressive nation. Since establishing diplomatic relations our two countries have developed a strong foundation for mutually beneficial collaboration in all fields. Malaysia would continue to play its part in consultation with the Bangladeshi side. I am confident that the brotherly relations between Malaysia and Bangladesh will go from strength to strength in the years to come.

**Address by the Prime Minister at the banquet hosted by the Prime Minister of  
Bangladesh Begum Khaleda Zia on 13 February**

On behalf of my wife, members of my delegation and on my own behalf, I would like to express my sincere thanks and appreciation to you and the Government of Bangladesh for the warm welcome you have so kindly extended to us since our arrival in Dhaka.

I have had the pleasure of visiting your country sometime in 1983. Many important developments have taken place in Bangladesh since then. Of particular significance was the introduction of representative government under your premiership in 1991. I would like to congratulate you and your country for your strong commitment to democracy and the well-being of Bangladesh.

#### **Bilateral Collaboration**

I am pleased that relations between our two countries have developed positively. The recent convening of the Joint Commission, at Ministerial level, reflects the keen interest of our countries to expand relations in all fields. Steps are now being taken to strengthen the framework of cooperation and to ensure the early implementation of the various decisions that were agreed upon. Although our bilateral trade remains relatively small, its growth is encouraging. I am also pleased to note that bilateral activity between our countries is on the increase and there have been useful exchanges of visits. It is also noteworthy that, in the last two years, Bangladesh has become an important source of manpower in the expansion of Malaysia's industrial and plantation sectors.

In the promotion of private sector interaction between our two countries, our governments have the task of ensuring that there is a conducive climate to

stimulate this critically important area in our relations. An encouraging development was the initiative of the private sector to establish a Malaysian Trade Centre in Dhaka as it will provide a focal point for business transactions between Bangladesh and Malaysia. I hope a similar centre will also be established by your country in Kuala Lumpur.

Bangladesh's socio-economic programmes and privatisation policy also provide considerable opportunities for bilateral collaboration. The Malaysian Government will encourage the private sector to explore the potential in this area. Our government agencies will do their part to facilitate this process. We would also welcome exchanges of information in the privatisation processes and results.

#### **MTCP**

Under the Malaysian Technical Cooperation Programme (MTCP) Malaysia has worked together with Bangladesh for mutual interest. A review of such cooperation, covering both short and long term programmes, as well as small scale projects, is now being made. Although we are a developing country, and our own means are necessarily limited, we firmly believe in South-South cooperation in technical assistance to take advantage of the available expertise in the developing world.

Malaysia is interested in cooperation with Bangladesh in the fields of agriculture, education, defence and religion as well as in strengthening our sporting, cultural and youth exchange programmes. Priority should be given to implementing proposals that would best serve human resource and socio-economic

development. In this regard, Malaysia looks forward to its cooperation with Bangladesh in the proposed establishment of the Bangladesh Pilgrimage and Fund Board.

### **Inter-Regional Cooperation**

Inter-regional cooperation between SAARC\* and ASEAN is an important framework for strengthening our ties with each other. I look forward to the stepping up of consultations between the two groupings to harmonise the goals of these organisations and to coordinate their responses to global development.

Developing countries today face tremendous challenges in bringing about a fair and just international order. The end of the Cold War and the demise of communism has brought forth new problems and challenges for the South. Unless we take a unified stand against attempts to impose on the environment, human rights and democracy, we will find ourselves increasingly marginalised. It is important therefore that we work closely in international fora such as the UN, the OIC, the Commonwealth and other international organisations.

Malaysia is deeply disturbed by the tragic developments in Bosnia-Herzegovina. The brutalities of the Serbs against the Bosnians are intolerable and we are frustrated by the inability of the global community to take the decisive action that is required to halt the horrors of "ethnic cleansing". Instead, we see double standards being applied in the action taken against Iraq which, unacceptably, went beyond the UN mandate, while the same powers appear unwilling to address the situation in Bosnia, where the assault on human rights is more obvious and more blatant.

My visit to Bangladesh reflects Malaysia's earnest desire to further strengthen the close ties that exist between our two countries. I look forward to our special relationship being further consolidated through the regular exchange of visits, the implementation of concrete action programmes and increased activity between the private sectors of Bangladesh and Malaysia in the years to come.

\* (SAARC - South Asian Association of Regional Cooperation)

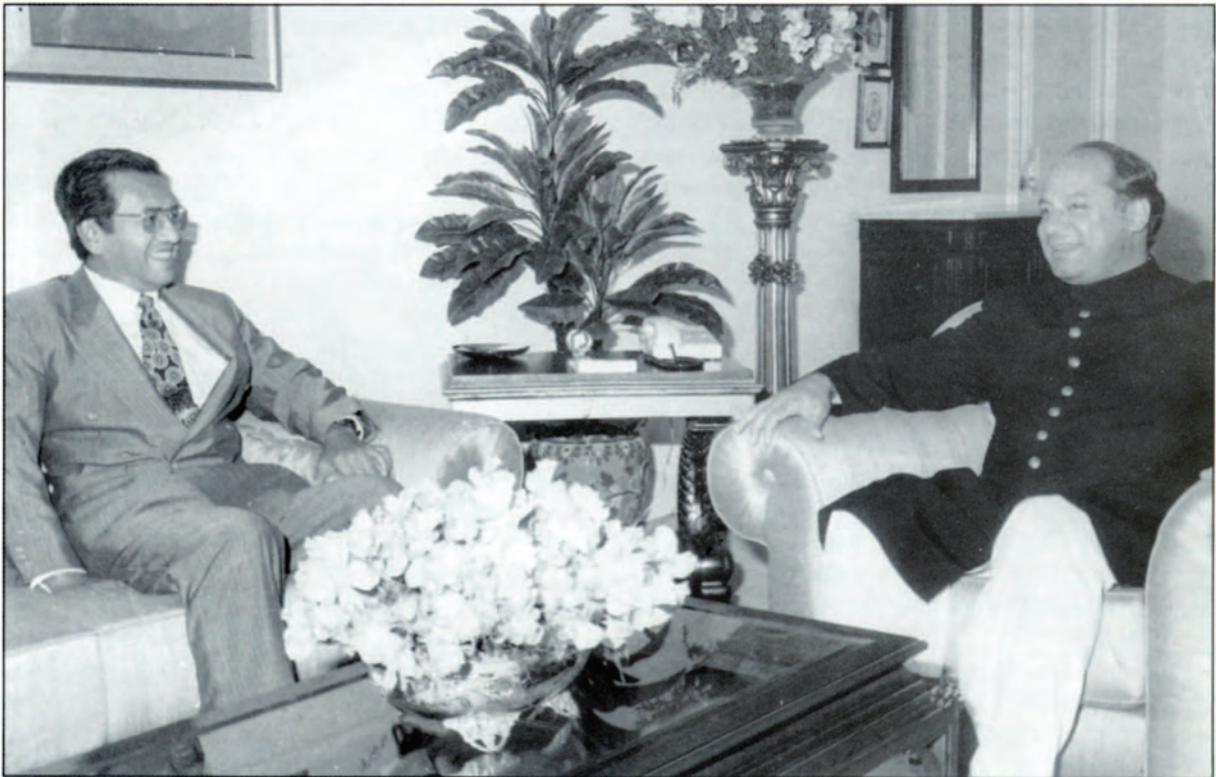
## ***PRIME MINISTER IN PAKISTAN***

**Speech by the Prime Minister at the banquet hosted by the Prime Minister of Pakistan Muhammad Nawaz Sharif in Islamabad on 15 February**

On behalf of my wife, the members of my delegation and on my own behalf I wish to thank you and the Government of Pakistan for the warm welcome and hospitality that we have received since our arrival in your great country.

But for a short spell, the relationship between our

two brotherly countries has always been warm and friendly. I am happy to note, in particular, that, in recent years, our economic relations have been developing steadily. Malaysia's overall trade with Pakistan has expanded in the last two years, averaging US\$440 million in volume. Of special importance is the fact that Pakistan is Malaysia's largest single buyer of palm oil



*The Prime Minister paying a courtesy call on the Prime Minister of Pakistan Muhammad Nawaz Sharif.*

in this region. This is a recent phenomenon following the decrease of soyabean oil imports by Pakistan.

In 1992, a Memorandum of Understanding was concluded with Pakistan to provide US\$100 million credit to buy 300,000 tonnes of palm oil from Malaysia. The Malaysian Palm Oil Promotion Council has agreed to provide 2,200 square feet of exhibition space to exhibit products from Pakistan in Kuala Lumpur for a period of two years. Following the successful visits of Ministerial and business delegations from Malaysia last year, joint ventures with Pakistani partners are being proposed to establish integrated palm oil storage and refining complexes in the port cities of Pakistan. In the long term, we are looking to Pakistan as a potential gateway to the palm oil markets in Afghanistan and the Central Asian Republics, using Pakistan's air, sea and road links with these states. Meanwhile, we are also studying the possibility of our national airline, MAS, operating additional frequencies into Pakistan and beyond to strengthen the air links between our two countries.

### **Technical Cooperation Programme**

We have a modest technical cooperation programme which enables developing countries to avail themselves of assistance in areas where we have some expertise. There is much our two countries can do for each other in sharing what we do best. An important area of our cooperation, in this respect, is the training received by students under Pakistan's technical assistance programme and we hope to see this programme expanded, especially to accommodate our requirement for medical training.

Due to the rapid development of our industrial and plantation sectors, Malaysia has been experiencing labour shortages. As a result a small number of Pakistanis have come to Malaysia to work. We will

continue to look to Pakistan as an important source of human resources.

Malaysia and Pakistan have worked together in support of each other on many issues of common concern. In the United Nations, the Non-Aligned Movement and the Organisation of Islamic Conference, we have shared common positions on such issues as the Environment and Development, the Palestinian problem, the Iran-Iraq war, Apartheid, Disarmament and Antarctica. On regional issues like Cambodia and Afghanistan, we have been supportive of each other's position. Malaysia was also especially pleased to host the CHOGM in which Pakistan returned to the Commonwealth in 1989. I would also like to take this opportunity to express our appreciation for the very effective leadership demonstrated by Pakistan as the Chairman of the G-77.

### **Significant Role in World Affairs**

Pakistan has always played an important role in world affairs. As a member of the UN Security Council at this critical time in world affairs, Pakistan can do much to address the new challenges that are being faced by the world as a result of the end of the Cold War. We share the concern over actions taken by a few powerful countries to promote their own interests without taking into account the views of the international community. Instead of even-handed initiatives, we see UN mandates exploited for narrow self-interest as in the case of the recent unjustifiable attacks on Iraq, while the horrors of the situation in Bosnia remain unaddressed.

Malaysia appreciates Pakistan's role in promoting peace and stability in Afghanistan. We sincerely hope that war-ravaged country will soon be able to get down to the enormous tasks of reconstruction and development that it is faced with.

We hope that the problem of Kashmir, which has bedevilled the relationship between Pakistan and India for over four decades, can be resolved amicably through peaceful negotiations in accordance with United Nations Resolutions and the Simla Accord. Pakistan and India, working in tandem, would be a catalyst for the advancement of the whole of South Asia.

We have followed with interest the development of the Economic Cooperation Organisation (ECO) in the South Asia region. With the inclusion of seven more countries of Central Asia, an important economic nexus has emerged which will be crucial in guaranteeing the development and stability of this region. We welcome closer collaboration between ECO and SAARC

(South Asian Association of Regional Cooperation) with ASEAN. To strive for greater unity and cooperation among developing countries, we need to maintain a dialogue among ourselves in order to promote solidarity, to strengthen each other's efforts to advance ourselves and to have a common response to the critical economic developments that are taking place in the world, especially the emergence of powerful trade blocs.

Our two countries have always enjoyed close and brotherly relations. We look forward to working closely with you to further strengthen our political and economic relations, as well as enhancing our mutual efforts for world peace and equality in international relations.

**Address by the Prime Minister at the luncheon hosted by Malaysia-Pakistan Venture Sdn Bhd, Westbury Pvt Ltd and the Federation of Pakistan Chambers of Commerce and Industry in Karachi on 17 February**

I would like to thank Malaysia - Pakistan Venture Sdn Bhd, Westbury Pvt Ltd and the Federation of Pakistan Chambers of Commerce and Industry for inviting me to this luncheon and to share some thoughts on opportunities and ways to strengthen economic and commercial relations between Pakistan and Malaysia. I have with me here today a number of prominent members of the Malaysian private sector, some of whom already have business ties with Pakistan. They are all, I am certain interested in strengthening further the bilateral commercial ties between our two countries.

**A Long-Standing Relationship**

Pakistan and Malaysia have always enjoyed close and cordial links. This can be attributed to our common history and the common beliefs that we share in various fora of the United Nations. The long history of people to people contacts has also contributed to such links. On the trade and economic front, our two governments have consciously and systematically laid down a strong framework for cooperation such as those embodied in our bilateral trade agreement and the formation of the bilateral joint commission.

Our long association has resulted in encouraging trends in our economic and commercial relations. The value of trade between Pakistan and Malaysia has progressively increased especially over the last 5 years. For example, total two-way trade in 1991 amounted to US\$438.1 million and for the first nine months of last

year it was valued at US\$352.2 million. Pakistan today has emerged as Malaysia's largest trading partner among the countries of the sub-continent.

Whilst members of the private sector of our two countries should be congratulated for their active involvement in bringing about these encouraging trends, we need to remind ourselves that much more can be done. A further examination of the trade between our two countries reveals that the base is limited and largely confined to commodities. At the same time trade between our two countries constitute less than 1 per cent of our respective global trade.

**Market Diversification**

It is clear that two countries are very dependent on the North both in terms of markets for our products and in terms of sources of our imports. Although our dependence on the North will continue, we should not foreclose prospects and opportunities to strengthen economic and commercial ties with countries of the South. This becomes more pressing given the current uncertainty for a successful conclusion of the Uruguay Round of multilateral trade negotiations, the formation of NAFTA and the consolidation of the single European market. All these will pose greater challenges for us to maintain, let alone improve our position and share in the North. Whilst we will and must continue to attach importance to a successful conclusion of the Uruguay Round, we must continue to pursue efforts at diversifying our markets. The South can offer us fair opportunities for such diversification.

It is evident that many developing countries have, over the last five years, taken bold steps towards market liberalisation and deregulation. I am aware that Pakistan itself has undertaken liberalisation measures and deregulation aimed at bringing about greater transparency and simplicity in commercial procedures. I am also aware that since December 1990 Pakistan has embarked on an industrial policy that encourages greater foreign participation. Pakistan has also introduced a series of privatisation, deregulation and liberalisation measures which address important sectors such as banking, public utilities and manufacturing enterprises. Malaysia's own efforts and experience in these areas has resulted in greater trade and investment flows, brought about greater technological development as well as higher efficiency and productivity levels. In effect, the sum total of liberalisation measures undertaken by developing countries will bring about the emergence of growing markets in the South, able to supply and absorb a wide range of products from raw materials to manufactures with high technology.

### **Enhancing Trade Opportunities**

It is also evident that the countries of the South have made efforts unilaterally and collectively to enhance trade amongst themselves. The framework for such cooperation have been strengthened through practical mechanisms. The network of bilateral trade agreements, investment guarantee agreements and bilateral payment arrangement are evidence of such practical approaches. At the multilateral level, projects that have been launched by the G-15 such as the South Investment and Trade Technology Data Exchange Centre (SITTDEC) and the strengthening of the Generalised System of Trade Preferences (GSTP) among developing countries can and will complement bilateral efforts towards increasing trade, investment and technology flows in the South. At regional and sub-regional levels our experience in economic and trade

liberalisation, initially on a preferential basis and confined to members of respective groupings, will bring about higher efficiency and competitiveness levels that will spur liberalisation on a most-favoured nation basis.

In Malaysia, we have embarked on a serious drive to enhance economic and commercial links with developing countries in our effort to develop. The Malaysian private sector has kept pace with this drive and has established contacts and networks in many developing countries which have resulted in greater two-way flows of trade. On the investment front, although we are still dependent on the in-flow of foreign direct investment, the Malaysian government now encourages Malaysian businessmen to venture out and invest overseas. I am confident that the current level of joint-venture tie-ups between our two countries will continue to increase given the pull factor fostered by the liberal industrial policy launched by Pakistan and the push factor derived from Malaysia's policy on reverse investment.

It is therefore pertinent and timely for you who represent the private sector of Pakistan and Malaysia to continuously take stock of such policy changes with a view to intensifying joint-ventures and commercial links. At the level of chamber to chamber cooperation, you both have a convenient vehicle in the form of the Malaysia-Pakistan Economic Association (MAPECA) formed between the two chambers of commerce and industry. Under the MAPECA, you are both committed to the forging of closer working relationships and to the facilitation of the exchange of information and publications of trade and investment. I hope that MAPECA will continuously strive to explore ways and means to diversify and increase trade, investments and services between our two countries. The degree of success in our bilateral efforts to bring our two countries closer in the economic and commercial field depends on how serious and committed the private sector of our two countries are in strengthening these links.

### **Knowhow and Capabilities**

From our own experience in development we find that Malaysian entrepreneurs can acquire and develop certain expertise and capabilities in certain fields. Some of the Malaysian private sector personalities who have come with me here today have a degree of expertise in sectors such as mining, plantations, construction, tourism development, processing and manufacturing of resource-based products. We are aware that

Pakistan entrepreneurs have also developed expertise and capabilities in various fields. I am confident that the meetings and discussions that you will have today will reveal complementarities that can be translated into viable commercial projects.

I am sure that the encounter between the Federation of Pakistan Chambers of Commerce and Industry with the Malaysian businessmen in my delegation will lead to fruitful results both for your various enterprises and for our two countries.

## ***UNITED NATIONS SESSIONS***

### **Statement by Dato' Musa Hitam, Head of the Malaysian delegation on Agenda Item 8: Question of the Realisation of the Right to Development, in Geneva on 15 February**

On behalf of the Malaysian delegation, I would like to express our appreciation to the Secretary General for his Report. The Report, which contains concrete proposals of the Secretary General for the effective implementation and promotion of the Declaration on the Right to Development (DRD) is a good basis for our discussion on the subject.

#### **Need to Reform**

It needs no reminding that the realisation of the declaration on the Right to Development for years has been the central focus for the developing countries in their long quest for a reform of international cooperation on human rights through the United Nations in particular in the work of the Human Rights Commission.

Malaysia has always maintained that the right for human rights is not only against political repression but also against social deprivation and economic exploitation. This applies to individuals as well as countries. Our commitment and that of the Non-Aligned Movement has been clearly articulated in the Final Documents of the Non-Aligned Summit held in Jakarta last September.

#### **Declaration on the Right to Development (DRD)**

It is well recognised that all categories of human rights, covered by the two International Covenants, are indivisible and inter-dependent, and the Implementa-

tion of the Declaration on the Right of Development would help towards the fulfilment of the goals of both the Covenant on Political and Civil Rights and the Covenant on Economics, Social and Cultural Rights. Development is a comprehensive concept, covering economic, social, cultural and political process, whose objective is a simultaneous and progressive improvement of the well-being of individuals and entire societies. It is dependent on the quality and extent of participation by both the State and individuals. Success in development efforts in a number of East and South East Asian countries have proven to be a crucial factor for achieving broad socio-economic progress, while enhancing democracy and respect for human rights.

It is only logical that an understanding on the close relationship between the realisation of the Declaration on the Rights to Development and the enjoyment of all human rights and fundamental freedoms should be able to bring about cooperation amongst States at the international level, in particular, within the United Nations system.

#### **Civil and Political Rights**

What has prevented such cooperation, however, is the practice over the years to devote the work of the Human Rights Commission almost exclusively on civil and political rights. The situation has been aggravated with increasing pressure being applied on Third World countries through the use of country reports and the Special Rapporteur procedure. In the last 2 - 3 years, there have been attempts at linking the question of civil

and political rights to the conduct of bilateral relations and international development cooperation, involving United Nations Agencies as well as the IMF and the World Bank. More and more the Human Rights Commission is seen as a United Nations body being used to scrutinise human civil and political rights situations in selected Third World countries, and some of these countries are being punished through bilateral and multilateral assistance programs.

At the same time, there have been repeated opposition to attempts by the developing countries to draw appropriate attention and due importance to the implementation of the Declaration on the Right to Development. Continuing opposition by these countries could not possibly be because of their lack of understanding on the crucial relationship between development and human rights. I am afraid that it can only be construed as a deliberate move on their part to maintain their predominant economic situation and perpetuate North-South inequalities, so clearly outlined in the 1992 UNDP Human Development Report focusing on the increasingly difficult external economic environment attributed to the developed countries. The common Declaration made at the 1968 Teheran International Conference on Human Rights on the need for sound and effective national and international policies of economic and social development to ensure lasting progress in the implementation of human rights has somehow been forgotten.

### **Promotion of DRD**

The Report of the Secretary General contains a number of interesting proposals for the implementation and promotion of the Declaration on the Right to Development. We are glad the Secretary General in his Report recognised that "the rights to development highlights the inter-dependence, indivisibility and universality of the two international Covenants on human

rights". The Report also pointed out that "the biggest obstacles in the realization of the right to development lie at the international macro-economic level, where the gap between developing and developed countries, between the South and the North, the poor and the rich, is ever widening, aggravated by trade barriers, debt, lack of transfer of technologies and restrictive immigration policies".

Unfortunately, my delegation could not agree with the interpretation in the Report on the position of the developing countries as represented in the statement of the Chairman of Group 77 at the 1991 UNDP Governing Council. Developing countries have been in the forefront of a basic reform of United Nations cooperation on human rights repeatedly appealing for the incorporation of a process within the United Nations system to follow-up on the implementation of the Declaration on the Rights to Development. But we reject moves which would link human rights issues to development efforts as this could well lead to the introduction of conditionalities in United Nations funded development programs, contradictory to the 1970 General Assembly consensus resolution which established the principle of neutrality as the basis for international development cooperation.

### **North Dominance**

All these support the contention that the rich developed countries do not want a struggle for human rights, within the context of the right to development and a struggle for human dignity, to be an important component of United Nations cooperation on human rights. They prefer the discourse on human rights to continue to be confined to civil and political rights, as it enables them to put countries of the South in the "dock" at the Human Rights Commission and other United Nations fora, while maintaining their dominance over the world economy.

The perpetuation of an adversarial approach runs counter to the letter and spirit of the United Nations Charter and would not be in the interest of advancing the goals of the two Covenants on Human Rights. This situation cannot be sustained. The only way forward is for cooperation on human rights within the United Nations framework to undergo a major reform that allows for a serious consideration of the follow-up on the implementation of the Declaration of the Right to Development to ensure a comprehensive and holistic approach, especially within the Human Rights Commission.

It is in this spirit that Malaysia is working with the other members of the Non-Aligned Movement (NAM) on a draft resolution on the Question of the Realisation on the Right to Development. Our objective is to ensure that there will be a mechanism to monitor and report to the Commission on an annual basis on the implementation of the Declaration on the Rights to Development, and this would act as a catalyst to bring the reform of United Nations cooperation on human rights that has long been our aspiration.

## **Statement by Dato' Musa Hitam on Agenda Item: 20: Rights of Person Belonging to National Ethnic, Religious and Linguistic Minorities, in Geneva on 16 February**

Allow me on behalf of the Malaysian delegation to express our appreciation to the Secretary General for the note on the technical meeting of experts on minorities, which took place at Geneva from 2 - 4 February, 1993 and reports submitted by the Special Rapporteur, Mr Asbjorn Eide.

### **Revival of Ethno - Nationalism**

It is most unfortunate that so soon after the end of the cold war era, we are witnessing the revival of ethno-nationalism in certain parts of the world. The ethno-nationalist issues could be further aggravated by age old religious differences. Such situations only underline the need for the protection of minority rights, since it could lead to out-breaks of civil wars and inter-state conflicts, threatening international peace and security as well demonstrated by the tragic events unfolding in the territories of former Yugoslavia.

Our world consists of many countries made up of multi-ethnic-nationalists and religious societies. We simply cannot afford to acquiesce, much less encourage the pursuit of rights of persons belonging to national or ethnic, religious and linguistic minorities that would lead to the break-up of nation states, or for bigger states to commit aggression and engage in territorial expansion on the pretext of protecting their brethren, who constitute minority groups in other countries. It would be disastrous for international peace and security. It would lead to a complete break up of the international system made-up of independent nation states. I could not agree more with the observation that for the maintenance of international peace and security, it is essential to preserve the national unity and territorial integrity of states and that the protection of minority rights

must be pursued in a way that territorial integrity is not endangered.

### **International Understanding**

At the same time, I would like to underline that as we in the international community must face the reality of having to deal with the problems of the revival of ethno-nationalist and religious conflicts, the best course of action would be in the direction of increasing international understanding and cooperation to prevent the aggravation and out-break of such conflicts. In this context, a study on national experiences regarding the peaceful and constructive solutions of problems involving minorities is both a timely and useful exercise for us all.

The subject is of extreme importance to Malaysia as a multi-ethnic and multi-religious society, made up of five main groups the Malays, Chinese, Indians, Dayaks and Kadazans. There are more than 30 indigenous groups other than the Malays, Dayaks and Kadazans distributed nation wide. At the time of our independence and subsequently the creation of Malaysia, many critics particularly amongst the academicians and journalists in the West predicted political instability and ethnic-religious conflicts that would tear our country apart.

### **Spirit of Tolerance**

The government and people of Malaysia have always been sensitive to the delicate ethnic and religious balance in the country, and the difficulty of maintaining racial harmony in a young democratic society. We realised very early on in our struggle as an

independent nation that tolerance of different ethnic and religious values and traditions, together with the constant process of strengthening national unity in diversity of ways of life and respect of rights for minorities, while pursuing economic modernisation, is the only way to ensure the survival and progress for our nation. It was significant that we decided to establish a multi-racial and multi-religious government from the very beginning as recognition of the reality of race and religion as major factors in our society.

The 1969 racial riots jolted the nation. But the experience taught us many lessons and moved the government and the people to agree to certain guidelines on how to conduct democracy in a multi-racial and multi-religious society. We also agreed on a New Economic Policy aimed at restructuring our society so that economic vocation could no longer be identified with any particular ethnic or religious group, as well as facilitating equitable economic growth and benefits for all our ethnic communities. I would also like to emphasise the importance of a strong leadership role by the government. Yet, all along the government in formulating the new national policies is guided by a consultative mechanism, involving the participation of representatives of all the various ethnic and religious groups. There is a national consensus that the practice of democracy in a multi-ethnic and multi-religious society like ours requires a certain degree of discipline and restraint so that the pursuit of the interests of individuals or any particular ethnic/religious group would not be allowed to develop to the extent of destroying both our democracy and the nation. Based on our experiences, I would venture to say that perhaps excessive emphasis on freedom of expression without consideration of its dire consequences to the interests of the community contributes in no small way to contemporary ethnic-religious tensions in the world.

### **Economic Growth**

The pursuit of our New Economic Policy also entails a certain degree of discipline, and in the case of the government, it chooses to continue with a goal of a coherent and quality economic growth. A lot of capital investment is put into education, health services, infrastructure and a program to combat against poverty. However, in the process, Malaysia has to be contented with moderately high growth in its economy, instead of much higher growth but less equitable distribution. All in all, it has been a worthwhile experience. The quality growth in the Malaysian economy has been testified amongst others by the 1992 publication of The World Economic forum and IMD on "The World Competitiveness Report".

The Report placed Malaysia in fourth position in overall competitiveness and first in terms of prospects for growth amongst the 14 key economies of developing countries. This quality growth has been the bedrock of political stability and racial harmony in the country, putting the 1969 experience behind us.

### **Religious Tolerance**

If one were to travel through Malaysia today, one could not escape seeing the proliferation of mosques, churches and temples, as well as modern multi-racial shopping and housing complexes, a testimony to racial and religious tolerance and harmony in the country. There is also the practice of living side by side amongst the various races in towns and villages so that it is unthinkable to ever divide our nation along ethnic and religious lines, which surprisingly is the solution being pursued in the Vance-Owen Peace Plan for the Republic of Bosnia-Herzegovina.

I certainly agree with the view that there is no single model or panacea that would help us to tackle the threat of the revival of ethno-nationalist and religious conflicts and that there can never be a solution imposed from the outside. Our own Malaysian experience underlines the importance of the need for countries especially those with multi-ethnic and multi-religious societies to come up with their own indigenous and complex formula. For us, the underlying factors remain the need for a strong and good governance, a disciplined and productive society, a continuing emphasis on quality economic growth with human beings at the core centre of development efforts, and above all,

tolerance and vigilance against any signs of extremist ethnic and religious manifestation, which must be nipped in the bud by the full weight of the laws of the country.

In terms of encouraging international cooperation to protect the interests of minority groups, we believe in a constructive dialogue and cooperation that would encourage quality economic growth and the strengthening of national unity, within ethnic, religious and linguistic pluralism, rather than giving excessive emphasis on individual minority rights that would weaken the multi-ethnic and multi-religious fabric of nation states.

## **Opening Statement by Ambassador Razali Ismail, Chairman of the Commission on Sustainable Development, at the session on 24 February**

I would like to congratulate the countries which have been elected to the Commission. I would like to thank all delegates for choosing me as the first Chairman of the Commission on Sustainable Development. I accept the honour on behalf of my country Malaysia. As for the responsibilities as Chairman, I will discharge them to the best of my ability, confident that as we have all worked together before, our energies and commitments remain unchanged.

After months of discussions and hard work, the commission comes into existence as arguably the main tangible accomplishment of the Rio Summit, an intergovernmental machinery to monitor the implementation of Rio. We are all aware of expectations internationally. There is a huge reservoir of goodwill and hope not only from governments but also people and organisations that the Commission should and must succeed in its work. On the heels of these expectations come also close scrutiny and pressure. We would have to demonstrate that each meeting of the Commission builds upon the progress achieved from earlier meetings.

### **Sustainable Development**

The Commission is not created in a vacuum nor as an isolated edifice over the horizon. The Commission has been crafted and structured within the matrix of a new and hopefully sustaining re-examination of what constitutes international cooperation given the realisation that global cooperation and global interdependence are the only sure means of securing peoples all over, from destitution and an absence of development and ensuring that the planet, its environment and

resources are wisely used and protected. Sustainable development takes on a meaning never before defined, pushing new horizons to cooperation with common aims. The UN itself has taken ready steps to interact fully and constructively with the Commission. The Commission will have at its disposal all the committed expertise of various organs and agencies at the UN through the Inter-Agency Committee on Sustainable Development under the leadership of the Secretary-General who will himself top that expertise of a high level advisory board. At the same time the operations of the Commission will need to relate and interface with other institutions such as the Bretton Woods. The linkage between Global Environmental Facility and the Commission will have to be clearly spelt out. The Commission, therefore, comes into operation at the most salubrious and constructive of times and with the highest modicum of political support. As members of the Commission we must remind ourselves constantly of the kind of role and responsibilities we carry with us taking into account the above.

### **Pursuing an Objective**

The Commission cannot afford to dissipate its energies by being a battle ground even if interest and needs of different countries must necessarily contend with each other, at least in the early stages of discussion. The Commission addressing issues in a fully integrated manner cannot allow itself to be the vehicle of any particular interest or grouping. It must construct itself as an evolving machinery that will progressively gain confidence of governments, major groups and all those that find reason in the context of Agenda 21 to bring matters to the Commission. The Commission must,

particularly in the beginning, build firm and cautious foundations to enlist and win confidence. The transition to sustainable development clearly involves many changes. Agenda 21, the programme for sustainable development calls for costs and commitments to ensure implementation. This is a challenge for all governments to meet squarely.

As you will notice from the provisional agenda of our meeting, there are a number of important issues to be decided. Among them is the provisional agenda and organisation of work of the Commission at its first substantive session and the outline of a multi-year thematic programme of work for the Commission.

### **Working for a Formula**

The effectiveness of the substantive work of the Commission on Sustainable Development largely depends on choosing optimal modalities for the organisation of its work. The 47th UNGA left open for the Commission to decide on such specific arrangements. It would seem appropriate that the high-level meeting would organically follow the main part of the work of the CSD and be organised at the end of its session. This would allow to resolve at the higher political level the outstanding issues, make breakthroughs and new commitments. As for the main part of its session, there are several options we may wish to consider: to set up working groups, or to have sequential parts or segments. It would be important to ensure that such modalities will be conducive to the implementation of the programme of work, the outline of which has been brought to our attention by the Secretary-General. We need to determine a time schedule for the

review of the thematic clusters and to provide the necessary guidance to enable it to be developed into a comprehensive document for the consideration at the first substantive session in June this year.

In addition, the time sequencing of consideration of the various clusters provided in the Secretary-General's report needs to be decided by the Commission so as to enable the Commission to cover all programmes of Agenda 21 by 1997 in time to prepare for the proposed special session of the General Assembly in that year.

### **Common Effort**

The Commission will also need to decide on the most rational mechanism so as to ensure that the review and consideration of implementation of Agenda 21 should be in an integrated manner including the cross-linkages between sectoral and cross-sectoral issue. This is an essential element for the successful implementation of Agenda 21. In this regard, the Bureau looks forward to work closely with all groups and delegations to arrive at an early consensus decision on the modality of work of the Commission, including the most effective clustering of Agenda 21. At the same time, we also need to agree on the provisional agenda for the first substantive session of the Commission scheduled this June.

Finally, I would like to take this opportunity to wish you all the best in this important endeavour and I look forward to working closely with you, in true partnership, as we have done since the UNCED preparatory process.

## ***ELEVENTH SESSION OF THE COMMITTEE ON FORESTRY (COFO)***

**Statement by Dato' Ismail Awang, Director-General of Forestry at the Session in Rome on 10 March**

### **A Balanced Approach**

Malaysia feels very strongly that any forestry programme undertaken at the international level should have a balanced approach. We have constantly given vent to our feelings that we cannot continue to tolerate the exclusive focus on tropical forests and the incessant and lop-sided accusations of unsustainability, threats of boycotts and all sorts of conditionalities levelled at tropical forests and tropical forests alone. It is because of this that we believe that the scope of TFAP should be broadened to include all forests, not only tropical forests. This is in line with the global consensus on all types of forests agreed upon at the Earth Summit in Rio. We are therefore pleased that the Independent Chairman has rightly included in the terms of reference of the CG, the amendments relating to national sovereignty, sustainable development and the non-legally binding "Forest Principle". We certainly do not welcome a CG with a globalistic stance only in name, with eyes focused only on countries in the Third World where tropical forests are located, taxing our already over-burdened developing economies yet ignoring other global inequalities that continue to vex countries in the South - the burden of external debts, an international regime that devalues our products, the phenomenon of net transfer of resources from developing to developed countries and the stalled Uruguay Round of GATT negotiations, to name just a few. It is political bias of the highest degree to continue to put pressure to bear on these countries by threats of eco-labelling against our timber and such like while ignoring the negative impact of global inequalities and the

other part of the global environmental equation, that of high greenhouse gas emissions. There is definitely a role that countries with temperate and boreal forests can play. While we are not obstructive to the cause of global environmental protection, we are opposed to the globalisation of our forests and we dislike institutions that assume that they have automatic purview over them.

### **Protection of the Environment**

Tropical forests countries are often intimidated by the "threat" of dilution of funding with the inclusion of temperate forests. This should not be the case. How long will developing countries continue to be coaxed into believing that if they demonstrate their concern about global ecological health in a certain way that is prescribed for them, they would receive in return some future aid. If the concern for the need for global environmental protection, biodiversity conservation and sustainable development of forest resources is indeed genuine, then the non-support of aid projects simply because they are out of the tropical forestry plan must logically be wrong. Attention must be extended to temperate and boreal forests as well in order for the global greening plan not to be distorted. A recent report by WWF, for example, has shown that not all is as well as it is assumed to be in temperate forests.

### **Consultation and Cooperation**

Malaysia has always been against the proposal for the TFAP Consultative Group (CG). While we wel-

come NGO participation in the CG, we have never felt with the idea of having donor agencies and NGOs to sit at the same level with sovereign nations and deliberate on issues which could be very sensitive to the nations with the forest resources. We are not against the idea of international consultation and cooperation. Malaysia's stand on the CG is very clear. We have maintained that existing fora within the FAO may serve the proposed functions that have been outlined for the proposed CG. While we may finally be willing to concede to a forum for developing countries, donor countries, international organisations and NGO's for the sake of seeing the TFAP revamping exercise move forward, we want to see temperate forests subjected to the same scrutiny as tropical forests in the CG.

The Independent Chairman of the FAO Council has taken pains to ensure that the participation of developed and developing countries in the CG is in the ratio of 50-50. However, in its present form, the TFAP has an exclusive focus on the tropical forest countries.

It is ironical then that the representation of these proposed 12 sovereign countries with ownership of tropical forests in the CG should be outnumbered by the membership of developed countries, donor agencies and northern-based NGOs (12 to 16). The Malaysian delegation would like to propose that if the TFAP remains tropical in focus, membership of countries participating in the TFAP should be increased to an acceptable number of important forest countries. This increase in membership of tropical forest countries should be pursued bearing in mind that the CG should remain a small advisory forum. We insist that tropical forest countries be given a full and fair hearing. It is our view that the independent Chairman's proposals do not adequately reflect this.

And finally Mr Chairman, if we heard correctly the Hon Rep of France suggested the deletion of category A of the composition of the CG and this delegation would like to support that proposal.

## ***PRIME MINISTER IN THE REPUBLIC OF UZBEKISTAN***

**Speech by the Prime Minister at the official dinner hosted by the President of the Republic of  
Uzbekistan Mr Islam Karimov in Tashkent on Wednesday, 31 March**

I wish at the very outset to express my great personal pleasure at being in Uzbekistan at a time of historical renewal. The memory of my first visit to your beautiful country in 1987 remains fresh in my mind. It is appropriate that I take this opportunity, on behalf of the Government and people of Malaysia, to congratulate you on your assertion of sovereignty and independence and to welcome your active participation within the community of nations.

### **Trade and Investment Cooperation**

I wish to express my sincere appreciation for the warm hospitality and kind reception which has been accorded to my wife and I and my delegation during our stay in your beautiful country. I hope this visit will pave the way for mutually beneficial relations between our two countries. It is for this purpose that I have brought along with me important leaders of the Malaysian business community. Their task will be that of developing trade and investment cooperation with the business community in your country.

The world has witnessed more revolutionary changes within the last three years than have taken place in all the years since the Second World War. Without doubt, these changes have opened new opportunities to build a better world order, based no more on hegemony or coercion but on mutual respect and cooperation. All states big and small, old and new, rich and

poor have to work together so as not to miss this historic opportunity to benefit from the easing of tensions resulting from the end of the Cold War.

### **Global Consolidation**

The National and international challenge at the turn of the 20th Century is largely to harmonise global, regional and national structural changes. There must be global consolidation in the next century, since global fragmentation brings only danger to our planet. Malaysia believes that global consolidation could be achieved through consensus and consent. In this regard, we have supported the United Nations (UN) at every turn. We believe the UN system provides the appropriate mechanism for creating a more equitable world order. It is vital for us to act in concert to ensure that it can serve this purpose.

While we welcome unity in the Community of Nations in the political arena in the immediate past, making possible settlement of several long-standing conflicts in Southern Africa, Kampuchea, Afghanistan, Angola and Somalia, we cannot but be disturbed at the recent apparent failure of resolve at coping with newer conflicts no less deserving of our attention as represented by the tragedy in Bosnia-Herzegovina. At no time has the world witnessed such blatant violations of human rights and yet failed to extend meaningful help.

We see the same disturbing failure of resolve at coping with the challenge of a more open global trading system beneficial for all. Although Malaysia is a relatively small country, we are nevertheless a substantial trading nation. Our prosperity depends on our trading relations with other countries all over the world, both large and small. Much benefit is derived from trading relations between countries. It is for this reason that we have endeavoured to open trading relations with as many countries, in as many regions of the world, as we can. We are therefore committed to strengthening economic and trade relations with your country, on the basis of equality and mutual benefit. Let us work together as partners for our prosperity.

### **Lending Support**

Your country is embarking on economic and political reforms. We fully support your efforts. I believe that our two countries can usefully share and benefit from each other's experiences. Since achieving our independence 35 years ago, Malaysia has transformed its economy. From being a raw-material exporter we are now a leading manufacturing centre and exporter of manufactured goods. We would be very happy to share with your country our experience and expertise, especially in such areas as agricultural management, privatisation and industrial development. For this purpose, Malaysia has established an ongoing economic and technical cooperation programme with all developing countries. We welcomed recently participants from Uzbekistan at the Malaysian Institute of Diplomacy and Foreign Relations. This we hope is the

beginning of more such mutual participation in other areas of training where our two countries have proven experience and expertise.

### **Regional Cooperation**

I observed earlier that the world is undergoing revolutionary changes, with new patterns of regional and international cooperation emerging. While bilateral relations and bilateral cooperation play an important role in developing peaceful relations between nations, regional cooperation has become even more relevant. Our own experience with the Association of South-East Asian Nations (ASEAN) exemplify this. I believe that the Economic Cooperation Organisation (ECO) and the Organisation of Heads of State of Central Asia convened by President Karimov could also play a vital role in ensuring peace and security and in bringing about greater development and prosperity throughout the region. Malaysia and ASEAN would be happy to share our experiences in regional cooperation with your country.

My wife and I will take home with us as many pleasant memories of our stay in your beautiful country on this occasion as we did during our previous visit in 1987. May I, once again, on behalf of my wife and my delegation take this opportunity to express our sincere appreciation for the hospitality and warm reception accorded to us by the Government and the people of Uzbekistan.

## ***AGREEMENTS***

<b>DESCRIPTION</b>	<b>PARTIES TO AGREEMENT</b>	<b>DATE &amp; PLACE</b>
Air Services Agreement	Malaysia & South Africa	5 January Kuala Lumpur
Agreement on Forestry Restoration	Malaysia & Laos	6 January Vientiane
Defence Cooperation	Malaysia & India	2 February Kuala Lumpur
Agreement on the Establishment of a Joint Venture Integrated Palm Oil Complex	Malaysia & Pakistan	17 February Karachi
Photovoltaic Research Project	Malaysia & Japan	19 February Kuala Lumpur
Investment Guarantee Agreement	Malaysia & Hungary	19 February Kuala Lumpur
Agreement of a Joint-Initiative on Elimination of the usage of Ozone Depleting Substances	Malaysia & World Bank, Japan, USA	24 February Kuala Lumpur
Sale and Purchase Agreement	Malaysia & China	4 March Kuantan
Bilateral Payments Arrangement	Malaysia & Vietnam	29 March Kuala Lumpur

## ***MOVEMENTS OF AMBASSADORS AND HIGH COMMISSIONERS***

### **MALAYSIAN REPRESENTATION OVERSEAS**

- 20 February - The following received their credentials from the Yang di-Pertuan Agong at Istana Negara:
1. Dato' Zainal Abidin bin Alias - Ambassador to Thailand
  2. Tengku Idriss bin Tengku Ibrahim - High Commissioner to Nigeria

### **OVERSEAS REPRESENTATION IN MALAYSIA**

- 21 January - The following presented their credentials to the Yang di-Pertuan Agong at Istana Negara:
1. Mr Vijay K Nambiar - High Commissioner of India
  2. Mr Alberto A Encomienda - Ambassador of the Republic of the Philippines
- 9 February - 1. Mr Mahboob Alam - High Commissioner of Bangladesh
- 15 March - The following was granted a farewell audience by the Yang di-Pertuan Agong:
1. Mr Yalcin Tug - Ambassador of Turkey
  2. Mr George W Seymour - High Commissioner of Canada

## ***DIARY OF EVENTS***

- 1 January - The Government of Malaysia extended full diplomatic recognition to the Czech Republic and the Slovak Republic. The Malaysian Ambassador in Vienna, Dato' Tan Koon San, is concurrently accredited to the two new States.
- 2 January - Datuk Ajit Singh, Malaysia's former Ambassador to Germany, the first elected Secretary-General of ASEAN, assumed office for a five-year term in Jakarta.
- 4 January - Malaysia announced the establishment of diplomatic relations with the Republic of Marshall Islands.
- A group of 181 Vietnamese boat people left for Ho Chi Minh City under the voluntary repatriation programme of the United Nations High Commissioner for Refugees (UNHCR).
- Malaysia and South Africa signed an air services agreement in Kuala Lumpur. Transport Minister Dato' Seri Dr Ling Liong Sik and South African Minister of Transport, Posts and Telecommunications, Dr P J Welgemoed, signed the agreement.
- 6-8 January - Thai Prime Minister Chuan Leekpai accompanied by an 88-member delegation comprising his two Deputies, and five Cabinet Ministers made his official visits to Malaysia.
- The Lao Timber Corporation Company of Malaysia signed with the Laotian Ministry of Agriculture-Forestry an agreement to restore agricultural-forestry development in Sekong Province. Malaysian Ambassador to Laos Abdul Wahab Harun witnessed the signing ceremony in Vietnam.
- 10 January - The East Asian English Newspaper Editors' Roundtable (EANER) ended its two-day meeting in Kuala Lumpur. Organised by the Keizai Koho Centre (Japan's Institute for Social and Economic Affairs), the Council for Better Corporate Citizenship, the Institute of Strategic & International Studies (ISIS) and the New Straits Times was participated by 14 English newspapers and the Vietnam News Agency.
- 11 January - The Minister of Foreign Affairs, Datuk Abdullah Ahmad Badawi, launched a book entitled "Professional Diplomacy & Foreign Affairs Management - The Malaysian Experience" at Wisma Putra. The book was written by Ambassador GKA Kumaraseri of the Foreign Affairs.
- Thai Commerce Minister Uthai Pimchaichon who was on a three-day visit, called on his counterpart International Trade and Industries Minister Dato' Seri Rafidah Aziz at her office.

- The five-day Third Asian Conference on Child Abuse and Neglect was closed by the Minister of National Unity and Social Development Dato' Napsiah Omar.
  - Cambodia's national flag carrier Kampuchea Air flew into Kuala Lumpur as its first destination. Cambodian Deputy Prime Minister and airline Chairman Prince Norodom Chakropong who was on the inaugural flight was met by Malaysia Airlines (MAS) Chairman Tan Sri Zain Azrai.
- 13-15 January - Japanese Prime Minister Kiichi Miyazawa leading a 62-member delegation including four Members of Parliament of the ruling Liberal Democratic Party, made an official visit to Malaysia.
- 14 January - Deputy Foreign Minister Dato' Dr Abdullah Fadzil Che Wan signed the convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction in Paris.
- 18 January - Finance Minister Dato' Seri Anwar Ibrahim delivered the keynote address at the Asian Forum Malaysia - "Economic Integration and Cooperation in East Asia", in Kuala Lumpur.
- 19 January - Minister in the Prime Minister's Department Dato' Abang Abu Bakar Mustapha led the Malaysian delegation to the three-day Islamic Conference in Cairo. The Malaysian Ambassador to Egypt, Datuk Zainal Azman Zainal Abidin, was a member of the delegation.
- 20 January - The Finance Minister led a 21-member team comprising several leading Malaysian businessmen on a three-day visit to Indonesia.
- Zimbabwe's National Planning Commission Minister R C Howe who arrived in Kuala Lumpur on 16 January for a week-long visit to study Malaysia's national development, called on Deputy Minister of Public Enterprises Dato' Dr Siti Zaharah Sulaiman.
  - Swedish Defence Minister Anders Bjorck paid a courtesy call on his Malaysian counterpart Dato' Seri Najib Tun Razak at his office in the Ministry of Defence.
  - Vietnamese Finance Minister Ho Te who was on an official visit paid a courtesy call on the International Trade and Industry Minister at her office.
- 21 January - The Prime Minister of Papua New Guinea, Paias Wingti, arrived in Kuala Lumpur for a three-day unofficial visit.
- The Yang di-Pertuan Agong and the Prime Minister congratulated the 42nd President of the United States of America, William Jefferson Clinton, on his inauguration.
- 25-27 January - Minister of Foreign Affairs of the Republic of Sudan, Al E Ali Ahmed Sahloul accompanied by

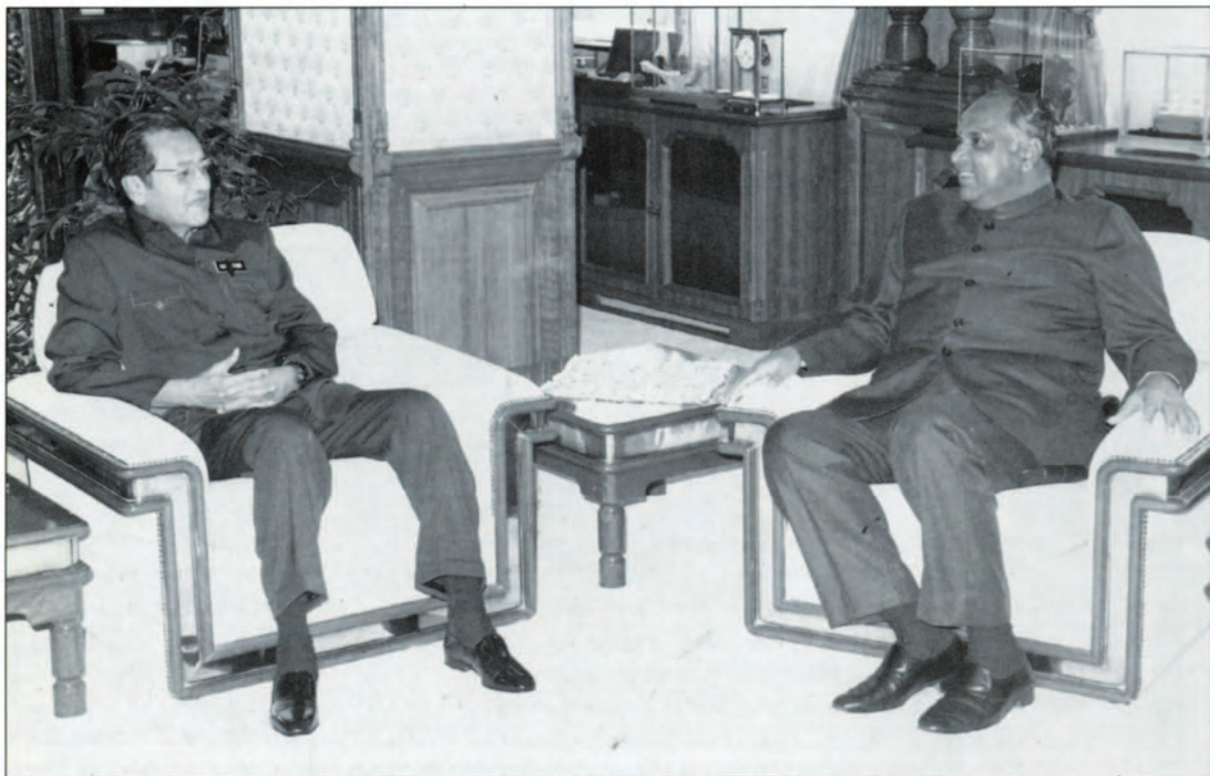
three officials made his official visit to Malaysia. The purpose of the visit was to brief Malaysian leaders on the latest situation in Africa with particular reference to the Horn of Africa, the Muslim World in general and bilateral relations.

- 26 January - Sudanese Minister of Foreign Affairs called upon his Malaysian counterpart, Datuk Abdullah Ahmad Badawi at Wisma Putra.
- 27-28 January - ASEAN Economic Ministers Meeting on Energy Cooperation was held in Bangkok. Energy, Telecommunications and Posts Minister Datuk S Samy Vellu represented Malaysia.
- 27-30 January - President Fidel V Ramos of the Philippines conducted a state visit to Malaysia. He is accompanied by several Cabinet Ministers, Members of the House of Representatives & Senate, senior officials and prominent businessmen.



The Yang di-Pertuan Agong, and the Raja Permaisuri Agong, accompanying the President of the Republic of The Philippines, Fidel V Ramos and his wife Mrs Amelita Ramos at the official welcoming ceremony at Parliament Square.

- 28-30 January - The Seventh International Conference on the World Assembly of Muslim Youth (WAMY) was held in Kuala Lumpur. The Prime Minister declared open the four-day conference.
- 31 January - Twenty army officers made up of 12 majors, seven captains and headed by Lt Col Mohamed Yusuf left for Mozambique to serve with the United Nations peace-keeping force there.
- 1 February - Indian Defence Minister Sharad Pawar leading a five-member delegation arrived in Kuala Lumpur on a four-day official visit.
  - Dewan Rakyat (House of Representatives) Speaker Tan Sri Mohamed Zahir Ismail led an ASEAN Inter-Parliamentary Organisation (AIPO) delegation on an 11-day official visit to Vietnam and Laos.



*Indian Minister of Defence, Sharad Pawar, paying a courtesy call on the Prime Minister.*

- Malaysia participated in the United Nations Commission on Human Rights at the 49th session in Geneva. The Malaysian delegation was headed by Dato' Musa Hitam, former special envoy at the United Nations in New York.
- 2 February - Malaysia and India signed a Memorandum of Understanding which will expand their defence cooperation to include joint research and logistics support. Najib Tun Razak signed the MoU on behalf of the Malaysian Government while India was represented by its Defence Minister Sharad Pawar at a ceremony held at the Defence Ministry in Kuala Lumpur.
- 4 February - Finance Minister Datuk Seri Anwar Ibrahim arrived in London to begin a ten-day visit to London, Paris and Frankfurt to woo European investors to the Labuan International offshore Financial Centre.
- 7-11 February - Swedish Health and Social Insurance Minister Bo Konberg, accompanied by a 17-member delegation of company representatives and experts on health care, visited Malaysia.
- 8 February - A reception to launch the New Zealand - Malaysia Business Council was held at the Malaysian High Commission in Wellington. The guest of honour was New Zealand's Minister of Commerce, Hon Philip Burdon.
- 8-11 February - Mauritius Prime Minister Sir Anerood Jugnauth arrived in Kuala Lumpur for a four-day official visit to Malaysia. Accompanied by the Head of the Civil Service and Secretary to Home Affairs, Sir Bhinod Bacha, the visit to Malaysia was to reciprocate the one made by Prime Minister Mahathir to Mauritius in 1988.
- 8 February - The Minister of Foreign Affairs met his Indonesian counterpart Ali Alatas at the Second Ministerial - Level Meeting of the Malaysia - Indonesia Joint Commission in Jakarta.
- 9 February - The Foreign Minister declared open the new RM 37.2 million Malaysian Embassy complex at Jalan Rasuna Said in Jakarta.
- 10 February - The First Malaysian Art Exhibition in Vietnam "Titian 3" was officially opened by Malaysian Ambassador N Parameswaran. The Exhibition was organised by the Malaysian Artists Association in close coordination with the Embassy of Malaysia in Hanoi and Vietnam Ministry of Culture and Information and also partly sponsored by Malaysia Airlines.
- 12 February - Prime Minister Datuk Seri Dr Mahathir Mohamed and his wife, Datuk Seri Datin Paduka Dr Siti Hasmah Mohd Ali, left for a week-long official visit to Bangladesh and Pakistan. The accompanying delegation includes 50 officials, businessmen and journalists. International Trade and Industry Minister Datuk Seri Rafidah Aziz, Foreign Minister Datuk Abdullah Ahmad

Badawi and Deputy Minister in the Prime Minister's Office Datuk Abdul Hamid Othman were also in the delegation.

- 14-19 February- A 16-member delegation comprising senior representatives of some political parties in Cambodia arrived in Malaysia to study the country's experiences in electoral processes including the workings of multi-party pluralism and parliamentary democracy in Malaysia.
- 14 February - New Zealand Trade Negotiation Minister Philip Burdon led a 20-member delegation on a four-day visit to Malaysia. Members of the delegation included representatives of New Zealand's manufacturing, banking, education and tourism sectors.
- 16 February - Energy, Telecommunications and Posts Minister Datuk Seri S Samy Vellu met his Swedish counterpart, Mr Mats Odell at his office in Kuala Lumpur.



*Special Envoy of the King of Swaziland, Prince Sobandla calling on the Deputy Prime Minister.*

- 16 February - Deputy Prime Minister Ghafar Baba received two foreign delegations at his office in Kuala Lumpur. A seven-member Swaziland delegation led by Prince Sobandla called on Ghafar at 3.15 p.m. It was later followed by a call by a seven-member delegation of China Council for Promotion of Trade and Industry.
- China's Minister for Radio, Film and Television, Ai Zhisheng visited the National News Agency (Bernama) headquarters in Kuala Lumpur. Ai and his seven-member delegation were on an eight-day official visit to Malaysia.
- 17 February - The Governments of Malaysia and the Republic of Nicaragua established formal diplomatic relations at the Ambassadorial level. The establishment of diplomatic relations with Nicaragua is in keeping with Malaysia's policy of increasing dialogue with countries of the South in the context of South-South cooperation.
- 18 February - Acting Minister of Foreign Affairs Dato' Abu Hassan Omar received the Cambodian senior representatives of political parties at the Ministry of Domestic Trade and Consumer Affairs.
- 24 February - Former Commander-in-Chief of the Indonesian Armed Forces, General Tan Sri Try Sutrisno called on Prime Minister Datuk Seri Dr Mahathir Mohamad at the latter's office.
- An agreement to eliminate the usage of ozone depleting substances was signed between major semi-conductor producer Motorola (M) Sdn Bhd, the World Bank, the US Environment Protection Agency (EPA), Japan Electrical Manufacturers' Association (JEMA) and the Japanese Ministry of International Trade and Industry.
- 25-27 February- The 18th Tripartite Technical Experts Group (TTEC) meeting took place in Kuala Lumpur.
- 1 March - A 10-member delegation from Zanzibar led by its Finance Minister Mrs Amina S Ali called on Finance Minister Datuk Seri Anwar Ibrahim at the Ministry of Finance.
- 1-3 March - Russian Vice-President Alexander V Rutskoi arrived in Kuala Lumpur for a three-day official visit. Rutskoi who led a 40 member delegation, was accompanied by his wife, Mrs L A Rutskoi and the Minister of Economic Relations M S Y Glaziev.



*Russian Vice-President Alexander V Rutskoi paying a courtesy call on the Prime Minister.*

- 3 March - The Prime Minister received nineteen participants from the four Commonwealth of Independent States (CIS) at his office. The officers attended a three month diplomatic course organised by the Institute of Diplomacy and Foreign Relations (IDFR) under the Malaysian Technical Cooperation Programme.
- 5 March - Finance Minister Datuk Seri Anwar Ibrahim launched the interest-free banking scheme at the central bank auditorium in Kuala Lumpur. The interest-free banking facilities were developed based on Islamic principles and were introduced through three major local banks - Malayan Banking Bhd, Bank Bumiputra Malaysia Bhd and United Malayan Banking Corporation Bhd.
- A Memorandum of Understanding (MOU) was signed between Yayasan Negeri Sembilan (YNS) and an American Company, Enron Corp, to build a RM1 billion power station in Port Dickson.

- Chief Secretary to the Government, Tan Sri Ahmad Sarji Abdul Hamid was closing a three-month diplomacy training course for Foreign Service Officers of the Central Asian Republics at the Institute of Diplomacy and Foreign Relations.
- 8 March - The first Malaysian Conference on Surgery and Rehabilitation of the Hand was held in Kuala Lumpur.
- 10 March - Vietnamese Science, Technology and Environment Minister, Professor Dang Huu who was in Malaysia on a five-day visit met his counterpart Datuk Law Hieng Ding. Vietnam wants Malaysia to help her develop in the fields of science, technology and environment.
- 10 March - The Forest Research Institute of Malaysia (FRIM), Rubber Research Institute of Malaysia (RRIM), Malaysian Agricultural Research and Development Institute (MARDI) and Palm Oil Research Institute of Malaysia (PORIM) became affiliate campuses under a memorandum of understanding (MOU) signed between these institutes and the Agricultural University of Malaysia (UPM). UPM will tap the human resources and research facilities of the four institutes to train more post-graduates and to become the country's first research university by 1998.
- Datuk Seri Dr Lim Keng Yaik, Minister of Primary Industries received visiting Uzbekistan delegation led by Mr Nematulla I Khamidov, the Minister of Food and Industry.
- 12 March - Outgoing Royal Malaysian Air Force Chief Lt Jen Datuk Seri Yunus Tasi who was due to retire on August 1, handed over his duties to new RMAF Chief Mej Jen Datuk Abdul Ghani Aziz.
- 13 March - Vietnamese Minister for Science, Technology and Environment, Professor Dang Huu attended a briefing at the Forest Research Institute of Malaysia. FRIM was requested to help the Vietnamese Government contain the alarming rate of deforestation in Vietnam.
- 14 March - Culture, Arts and Tourism Minister Datuk Sabaruddin Chik officially opened the Malaysian Association of Tour and Travel Agents International Travel Fair. Seventeen countries participated in the annual event, rated the largest consumer travel fair in the city.
- 16 March - The "National Seminar on Update on Laboratory Accreditation Practices" was held at the Palm Oil Registration and Licensing Authority Complex. The seminar was organised under a Memorandum of Understanding between the Standards and Industrial Research Institute of Malaysia (SIRIM) and Resource, a British professional body in science and technology.

- 18 March - SME Aerospace Sdn Bhd and British Aerospace (BAe) signed an agreement to manufacture 24 sets of pylons under an offset programme for the RM1.2 billion Royal Malaysian Air Force Hawk ground attack aircraft. Jen (Rtd) Tan Sri Hashim Mohamed Ali, chairman of SME Technologies Sdn Bhd (SMET) signed on behalf of SMRA, the wholly-owned subsidiary of SMET, while BAe was represented by its industrial collaboration and offset director, John Farrow.
  
- 19 March - Foreign Minister Datuk Abdullah Badawi had a closed-door meeting with the head of the Japanese Economic and Technical Cooperation delegation, Koyohisa Mikanagi at Wisma Putra. Mikanagi was here with a 18-member high-level team to discuss and evaluate Malaysia's economic situation and other matters related to the overseas Development Assistance Programme.
  
- 20 March - Chairman of the World Confederation of Direct Selling Associations, Jim Threlfall met with Deputy Domestic Trade and Consumer Affairs Minister Datuk Abdul Kadir Sheikh Fadzir.
  
- 30 March - The Speaker of the British House of Lords, Lord Mackay of Clashfern, arrived in Kuala Lumpur for a 10-day visit at the invitation of the Malaysian government. Lord Mackay was scheduled to present the annual Sultan Azlan Shah Law Lecture on Thursday 1 April 93 on the subject "Criminal Fraud Trials: Recent Development".
  
- 31 March - Prime Minister Datuk Seri Dr Mahathir Mohamad left for Uzbekistan and Iran with more than 50 businessmen to explore investment and joint venture opportunities in the two countries. The visit to both countries will be for a week. Dr Mahathir's visit to Uzbekistan was to reciprocate the visit to Malaysia of its President, Dr Islam A Karimov, in June last year. The Prime Minister was accompanied by his wife, Datin Seri Dr Siti Hasmah Mohd Ali, and a delegation comprising Cabinet Ministers, Chief Ministers, senior officials and five MPs.



# **FOREIGN AFFAIRS MALAYSIA**



FOREIGN AFFAIRS MALAYSIA is published by the Ministry of Foreign Affairs, Malaysia. It is designed to provide information on Malaysia's foreign policy and foreign relations. Any material in the Journal may be reproduced but acknowledgement of the source would be appreciated.



***FOREIGN AFFAIRS  
MALAYSIA***



# **CONTENTS**

## **STATEMENTS MADE IN MALAYSIA**

### **DEPUTY PRIME MINISTER OF POLAND VISITS MALAYSIA**

*Speech by the Minister of Foreign Affairs, Datuk Abdullah Ahmad Badawi  
at the official dinner hosted in honour of Mr Henryk Goryszewski on 20 April* 3

### **PRIME MINISTER OF IRELAND IN MALAYSIA**

*Speech by the Prime Minister, Dato' Seri Dr Mahathir Mohamad  
at the official dinner in honour of Mr Albert Reynolds on 27 May* 6

### **APRIL 1994 WORLDWIDE EDITION OF SCIENTIFIC AMERICAN**

*Speech by the Prime Minister at the launching of a special supplement on  
Malaysia's technical capacity and capability, on 8 June* 8

### **7th ASIA-PACIFIC ROUNDTABLE**

*Address by the Minister of Foreign Affairs at the opening of the meeting on 7 June* 12

### **6th CONFERENCE OF MINISTERS OF EDUCATION AND THOSE RESPONSIBLE FOR ECONOMIC PLANNING IN ASIA AND THE PACIFIC**

*Welcoming speech by the Minister of Education, Datuk Amar Dr Sulaiman Haji Daud  
in Kuala Lumpur on 21 June* 18

*Keynote address by the Deputy Prime Minister Mr Abdul Ghafar Baba  
at the conference on 21 June* 20

# **STATEMENTS MADE OVERSEAS**

## **VISIT TO UZBEKISTAN BY PRIME MINISTER**

*Speech by the Prime Minister at a business luncheon in Tashkent on 1 April* 23

## **VISIT OF HIS MAJESTY TO JAPAN**

*Speech by the Yang di-Pertuan Agong Sultan Azlan Shah at the State banquet given by Emperor Akihito and Empress Michiko of Japan on 5 April* 26

## **SITUATION IN BOSNIA-HERZEGOVINA**

*Statement by Ambassador Razali Ismail, Permanent Representative of Malaysia at the Security Council on 19 April* 28

*Statement by Ambassador Razali Ismail at the Security Council on 29 June* 31

## **24th GRADUATION CEREMONY OF THE ASIAN INSTITUTE OF MANAGEMENT**

*Speech entitled "Public-Private Cooperation in Development" by Tan Sri Dato' Seri Ahmad Sarji Abdul Hamid, Chief Secretary to the Government of Malaysia in Manila on 9 May* 33

## **STANDING MINISTERIAL COMMITTEE FOR ECONOMIC COOPERATION**

*Remark by the Foreign Affairs Minister on Agenda Item 6: Relaunching of the North-South Dialogue, in Bali on 11 May* 37

## **ASIA SOCIETY CONFERENCE**

*Speech of the Prime Minister on 'Asia and the Changing World Order' in Tokyo, Japan on 13 May* 40

**17TH SESSION OF THE GOVERNING COUNCIL OF THE UNEP**

*Statement by the Minister of Science, Technology and Environment,  
Datuk Law Hieng Ding at the Session in Nairobi on 18 May* 48

**26th INTERNATIONAL GENERAL MEETING OF THE  
PACIFIC BASIN ECONOMIC COUNCIL**

*Speech by the Prime Minister at the Leaders Forum in Seoul, South Korea on 24 May* 52

**SEMINAR ON “BUSINESS OPPORTUNITIES IN MALAYSIA”**

*Keynote address by the Minister of International Trade & Industry,  
Dato’ Seri Rafidah Aziz at the Seminar in Taipei, Taiwan on 27 May* 56

**WORLD CONFERENCE ON HUMAN RIGHTS**

*Statement by the Minister of Foreign Affairs, in Vienna on 18 June* 64

**AGREEMENT** 69

**MOVEMENTS OF AMBASSADORS AND HIGH COMMISSIONERS** 70

**DIARY OF EVENTS** 71

***STATEMENTS MADE IN MALAYSIA***

## ***DEPUTY PRIME MINISTER OF POLAND VISITS MALAYSIA***

**Speech by the Minister of Foreign Affairs, Datuk Abdullah Ahmad Badawi at the official dinner hosted in honour of Mr Henryk Goryszewski on 20 April**

On behalf of my Deputy Prime Minister Mr Ghafar Baba, the Government and people of Malaysia, I wish to extend a very warm welcome to Your Excellency and members of your delegation to Malaysia. As you

are aware my Deputy Prime Minister regrets very much that he has been unable to host this dinner in Your Excellency's honour due to an urgent official business outside of Kuala Lumpur.



*Polish Deputy Prime Minister Mr Henryk Goryszewski calling on the Foreign Minister at Wisma Putra.*

We feel particularly privileged to learn that this is Your Excellency's first visit to this part of the world since assuming office. Your visit provides us with an opportunity to return the warm hospitality which you personally had accorded to my Deputy Prime Minister and his delegation last October. That visit to Poland was a milestone in our relations and the discussions on bilateral, regional and international issues of mutual concern was of particular significance.

Malaysia and Poland have enjoyed good and cordial ties since the establishment of diplomatic relations in 1971. Fresh impetus to the bilateral relations have been made further possible through several recent exchange of visits. In this regard Your Excellency's current visit is no exception.

I understand you have had a very useful meeting with H E Mr Ghaffar Baba this afternoon and am confident that with the present visit, the seeds that both of us have sown thus far in our economic cooperation would soon begin to bear fruit.

#### **Economic Cooperation**

With the framework of the many existing bilateral agreements, including the recently signed Joint Cooperation Agreement between the Polish-Malaysian Chambers of Commerce, and the Investment Guarantee Agreement, the prospects for expanded trade, investments and economic cooperation are enormous. We must continue to build upon the success we have achieved for the good of our two countries.

The economic growth in Malaysia during the last five years has averaged more than 8 percent. Emphasis is now placed for Malaysia to move to high-tech manufacturing on the road to becoming a fully industrialised country by the year 2020.

Towards that and Malaysia is ready to cooperate closely with Poland and to share its affluence as mapped out in the Sixth Malaysia Plan (1991-1995) and the Second Outline Perspective Plan (1991-2000). The two Plans stipulate specific time frames for development goals. There will thus be a great demand for goods and services which Poland can provide. We would welcome Poland's participation in our development projects and would encourage Polish companies to bid in Malaysian tenders on a competitive basis.

#### **Bilateral Trade**

I am happy to note that a venture between Polish and Malaysian entrepreneurs to establish a Malaysian Trade Centre in Poland is under consideration. We hope a similar centre can be set-up in Malaysia and we would like to see more Polish companies display their products to Malaysian consumers by way of exhibitions and promotional events. Talks to establish local banking links to facilitate the growth of trade and commercial transactions are also being pursued, and it would be an additional impetus in promoting bilateral economic relations.

As Your Excellency is aware, the present two way trade between our two countries remain small at around US\$40 million. There is therefore a need to inject more substance in our bilateral trade. We hope Poland would continue to import more raw materials from Malaysia including rubber, palm oil, tin and cocoa as well as electronics goods, textiles and other finished consumer products. They are of high quality and very competitive.

#### **Regional Centre**

We would also seek to expand our economic cooperation through investments. Foreign investments

from East Asia, America and Europe continue to pour into Malaysia. These investors find that their investments in Malaysia give them a competitive edge as well as access to the vast markets in the Asia-Pacific region. Even within the 6-member states of ASEAN there is a huge market of over 300 million people. For Polish industries wanting to export commodities or manufactured goods to the Asia-Pacific region, Malaysia can act as a regional centre and a springboard into the regional market.

Toward this end, I am glad to note that there is a proposal by a Polish-Malaysian company to undertake a joint-venture in Malaysia for the manufacture of railway coaches including transfer of technology. On the other hand, Poland being centrally-located in Europe, can act as a gateway to the vast markets of the European Community and the Commonwealth of Independent States. Malaysia is willing to consider expanding its investments in Poland in the areas of tourism related joint ventures.

### Development Experience

We note with interest the vast strides Poland has made towards the establishment of a free-market economy. I wish to underline also the importance of human resources development which is integral to the economic and social progress of all nations. Science and technology have also a major role to play in promoting economic cooperation. I wish to reiterate Malaysia's readiness to share with Poland our development, experience and economic success. We will be happy to provide assistance in the fields of privatisation, banking, management, administration and technical train-

ing. We do so in the spirit of genuine friendship and cooperation and in the firm belief that an economically stable and prosperous Poland would contribute further to the betterment of our bilateral relations. At the same time, we would like to encourage more exchange of visits at all levels, especially between the public and private sectors.

While our bilateral relations have always been characterised by understanding and warmth, there has also been close cooperation on a number of global issues. We are both committed to the just and humanitarian cause in Cambodia, Bosnia-Herzegovina, Africa and elsewhere. Both Malaysia and Poland's role in international peace-keeping efforts under UN auspices, have been highly valued by the international community. We are equally committed towards global concern for the environment. Indeed we share the conviction that this world must be made a better place for all.

The historic events in Central and Eastern Europe have brought about great changes and opportunities for the nations and peoples in your region. There is a generation of new hopes and growing expectations for political freedom and economic prosperity now that Communism has been dismantled. Poland is one of the countries at the forefront, of this transformation. We are confident that you are capable of meeting the challenge, and we wish you well.

May I now invite you to join me in a toast to the good health of His Excellency the Deputy Prime Minister, to all members of the Polish delegation and to the continued friendship and cooperation between Poland and Malaysia.

## ***PRIME MINISTER OF IRELAND IN MALAYSIA***

**Speech by the Prime Minister, Dato' Seri Dr Mahathir Mohamad at the official dinner  
in honour of Mr Albert Reynolds on 27 May**

My wife and I are very happy to welcome you and your distinguished delegation to Malaysia. I remember fondly our visit to your beautiful country last September and the warm and generous hospitality that you accorded us when we were in Ireland. I am glad we are able to reciprocate this hospitality and I hope you are able to see a bit of our country during your visit here.

I am encouraged that since my visit to Ireland, contacts between our two countries have noticeably increased, especially between the private sectors. This augurs well for the further development of our relations. As both our countries have open economies, the growing interaction between our entrepreneurs bodes well for the rapid development of trade and investment between Ireland and Malaysia. We in the Government must be fully supportive of this process. We also need to get to know each other's potential better.

### **Trade & Investment**

My visit to Ireland opened our eyes to the prospects that Ireland offers. Your visit here will help you and your delegation to understand better what we have to offer. We will build on the momentum created by this exchange of visits so as to maximise the results. The possibilities for cooperation in trade and investment are now much more easily appreciated. I believe we should, in particular, focus on cooperation in the services sector, a sector in which your country has made great progress. Ireland can contribute to Malaysia's own development of this sector and our two countries can also work together to take advantage of opportunities in

this area, in third countries. Ireland has developed sophisticated linkages between its R & D and the Universities and the manufacturing sector. We can learn from you and you can use Malaysia as the base for your specialised services to penetrate this very dynamic region.

Ireland is a member of the European Community which is in the process of implementing the Single European Market, a market of critical importance to Malaysia. Malaysia is a member of ASEAN, which through the proposed ASEAN Free Trade Area, will develop into an integrated market with its ASEAN fellow members. Malaysia is also an East Asian economy, and today, intra-regional trade in East Asia has reached the remarkable level of 42 percent of the region's total trade, notwithstanding the lack of formal arrangements between East Asian countries. Intra-regional trade further reflects the significant free flow of capital between the East Asian economies which has stoked regional dynamism.

### **Open Market Economy**

The importance of our cooperation must be seen against the backdrop of the huge markets with which our two countries are respectively connected. As small countries heavily dependent on trade, we should work together to ensure that these markets remain open. In the uncertainties which cloud international trade, regionalism has thrived. There is nothing intrinsically wrong with this trend so long as open regionalism is practised. Open regionalism can contribute towards

the goal of an open global trading system. The success of the Uruguay Round is crucial in this respect as it will support this process. Its failure will have the opposite effect, in that it will encourage regional groupings to develop a fortress mentality.

Malaysia has spoken out in favour of an East Asia Economic Caucus, a loose consultative forum which will allow East Asian countries to speak with one voice in their common interest, that is, to ensure that international trade remains unfettered. The forum will also allow greater coordination between the East Asian States where mutual help in the form of cross investments has stimulated growth. But the main objective is to allow the dynamic East Asian economies a greater say in multilateral trade negotiations and decision-making, which at the moment the individual states do not have. If the achievements of the East Asian nations are anything to go by, their views on world trade and economic development must be worth listening to and respected. Effectively silencing them by dividing them into ineffective non-entities helps no one. As Ireland gained by being with the other European countries, we hope that we will not be denied the same benefit of a collective voice.

### Massacre of Bosnian Muslims

While we talk about trade and economic development, thousands of people are starving and are subjected to blatant aggression. The end of the Cold War should bring peace to everyone but to the Bosnian Muslims it has brought tragedy of the worst kind. Hundreds of thousands of them have been killed, raped, mutilated and incarcerated, while some two millions

have been uprooted and made to flee their ancestral homes. The tragedy is that they were made to believe that the proponents of democracy would protect them as new converts. Instead, they are not only being exposed to the worst kind of oppression but they are being prevented from defending themselves or being defended by countries willing to help them. To them and to Malaysians too, the New World Order is not only meaningless but also utterly repulsive. And the saddest part is that in a world where the media is controlled by the powerful, what we say will be blacked out. Where is the much touted freedom of the press in the West?

### Cambodian Problem

Closer to home, Malaysia will steadfastly collaborate with the international community in seeking a settlement to the Cambodian problem. We are happy that the elections in Cambodia has been conducted without any major disruption by the Khmer Rouge. The 85 per cent voter turn-out is extremely encouraging and augurs well for the future. This election is the only way for the Cambodian people to have a representative government. Malaysia will therefore fully play its role in continuing to support UNTAC in the implementation of its task in Cambodia. In the post-election period, Malaysia hopes to play a constructive role in Cambodia's rehabilitation and reconstruction and would like to urge the United Nations to remain engaged in bringing long term peace and stability to the country.

It is indeed a pleasure to have you and your delegation with us in Malaysia. It is my hope that in the short time you are here in Kuala Lumpur and in Penang, you will also have the opportunity to enjoy Malaysia and renew old contacts and make new friends.

## ***APRIL 1994 WORLDWIDE EDITION OF SCIENTIFIC AMERICAN***

**Speech by the Prime Minister at the launching of a special supplement  
on Malaysia's technical capacity and capability, on 8 June**

I thank the organisers for this honour of addressing the captains of industry and commerce and other leaders of the private and public sectors in Malaysia.

I support this initiative to publicise worldwide Malaysia's technological capability and capacity which to me seems to be a well-kept secret. At a time when major multinationals are in dire straits in their home countries, their Malaysian operations are prospering. What is the secret behind this success which is counter to worldwide trend? I suspect it has something to do with the overall Malaysian business environment and the high productivity of its labour based on the trainability and technical competence of the workforce.

### **A Developed Nation by Year 2020**

We have a simple but clear vision for Malaysia, namely that by the year 2020, we want to be a developed nation having the following attributes:

- \* A united nation with a sense of common and shared destiny;
- \* A psychologically-liberated, secure and developed Malaysian society;
- \* A mature democratic society;
- \* A fully moral and ethical society;
- \* A matured, liberal and tolerant society;
- \* A scientific and progressive society;
- \* A caring society with a caring culture;
- \* An economically just society; and
- \* A prosperous society.

Thus, one of the characteristics of Malaysia in the year 2020 is a society that is scientifically progressive, a society that is innovative and forward looking, one that is not only a consumer of technological but also a contributor to the scientific and technology civilisation. This vision is not a dream. In fact, Malaysia had recognised the importance of science and technology in development since independence in 1957. The role of science and technology has been enshrined in the Rukunegara and incorporated in her educational programme. Thus, the development of primary and secondary schools, universities and polytechnics has been implemented with science as the key discipline in order to produce skilled and competent scientific manpower. This, in fact, has been realised and has borne fruits, as evidenced by the rapid modern technology-based industrialisation of Malaysia.

### **Science and Technology**

Further steps have been taken to prepare Malaysia not only to be a consumer of technology but also a contributor to new technologies and scientific discoveries. Research has not been neglected in the universities. In fact, the Government, through its funding programme via the Intensification of Research in Priority Areas (IRPA) mechanism, has provided a substantial fund for research in the universities and research institutes.

Since independence, several institutes have been set up for applied research which have contributed to

the economic development and industrialisation of the country. Further strengthening of this development is facilitated by the provision of policy guidelines such as the Industrial Master Plan, the Technology Action Plan and Vision 2020. The national R & D allocation is being increased, with an anticipated doubling in the proportion of GDP between 1990 and 2000 (from 0.8 percent to 1.6 percent of GDP). The private sector R & D is being stimulated through several programmes, including direct grants, incentive schemes and fiscal and monetary benefits.

Thus, with these developments not only has new knowledge been generated but highly trained personnel have and are being produced to man the high technology-based industries. Concurrent with science and technology development, encouragement is given to Malaysians to be more innovative and inventive and the first step is the passing of the Patent Act in 1986 while the Industrial Design Act is being prepared for Parliament. Thus, the intellectual properties of Malaysians and the foreign investors alike are protected, paving the way for the orderly transfer of technology to Malaysia. Foreign investors can bring in their technology freely with the knowledge that their technology is protected in the country. Both government administration and the NGOs are playing an active role in inculcating the innovative culture through several activities including the annual Inventors' Fair. Recently, Malaysian investors participated at the Geneva Exhibition and five out of six entries won medals, including one gold medal. All these efforts in building up the scientific and technological infrastructure, and competent scientific manpower are directed to the success of science and technology-based industries in the country. These industries reflect the level of Malaysians technological capability.

### **Indigenous Technology**

Steps have also been taken to assist in the commercialisation of scientific discoveries so as to nurture the development of indigenous technology which, it is hoped, will play an important role in giving Malaysian industry the extra competitive edge. One of the steps taken is the establishment of the Malaysian Technology Development Corporation (MTDC) which seeks to assist in the commercialisation of research and innovations developed in the country. The Malaysian Invention and Industrial Design Society, an NGO, also plays a role by recognising or assisting inventors who require its supports through providing seed money, the preparation of a business plan for submission to MTDC or the setting up of a venture capital company. It must be noted that some inventors have already been successful in developing commercially-viable products.

### **Privatisation**

In support of this development, several critical services have been strengthened. Malaysia's five year plans have concentrated on building up infrastructure for social, economic and industrial growth. These include communications, transport, health and R & D. In the decade between 1981 to 1990, Malaysia spent US\$7.8 billion on telecommunications alone, the biggest spender in South East Asia and second only to Singapore on a per capita basis. Started about ten years ago the Government has successfully implemented an extensive privatisation policy. So far highways, telecoms, railways, postal services, power generation, ports and airports, to name some, have either been corporatised or privatised. Competition is being encouraged in order to stimulate rapid development at the minimum cost to the consumers.

Political stability and a well-developed financial mechanisms are among the most important conditions for industrialisation to flourish. In Malaysia, both of these conditions have been accorded high rating by world opinion.

All these steps have borne results in the form of successful commercial ventures by both the local as well as foreign entrepreneurs and foreign multinationals. It is heartening to see the transition of Malaysia from a commodity-based exporter to a producer and exporter of manufactured products.

### Electronics Industry

The electronics industry growth is probably the most spectacular success that Malaysia has achieved in terms of speed of growth and future potential. Beginning from 1972, the industry has grown from almost nothing to become the largest industrial activity of the country. The industry is also undergoing rapid transformation from almost complete concentration on semiconductor components to a more balanced mix of sub-assemblies and end products.

Several examples may be highlighted to illustrate the success achieved, of which two are given here. Motorola started with one plant in 1972 and is now in the process of building its fifth. Beginning with mostly manual assembly, it has progressed to automated assembly and testing using largely local expertise. It now does wafer fabrication in a specialised plant in Seremban. In another plant making communications equipment, Motorola has an R & D team of about 100 engineers involved in all aspects of communications gear, from electronic circuits to mechanical designs.

Intel is another success story that indicates the level of sophistication achieved using local expertise. Nowadays, most of Intel's most advanced microproces-

sors are assembled and tested in Malaysia using automated equipment and processes designed, fabricated and integrated locally. A Micro-controller Design Centre has been started only a year ago which has achieved several significant milestones with the number of designers expected to reach 100 by the end of 1993.

### Telecommunications

The telecommunications industry era can be considered to have begun with the corporatisation of the Government-owned Jabatan Telekom in 1986, followed by privatisation in 1990. As a result, telecoms services have become more widespread and realible while advanced data communication services are being offered or planned.

Competition has been introduced by the Government in the provision of enhanced and advanced services. The rise of the cellular telecommunication industry is a prime example of what can happen. The domestic cellular growth rate is more than 50 percent per annum, far higher than the rate for wired services.

In the manufacturing area, Malaysian-owned companies have succeeded in penetrating foreign markets for terminal equipment as well as for infrastructure development.

### Automobile Industry

Malaysia decided to undertake the project of producing the country's first national car, the Proton Saga, in 1983. The venture has been an overwhelming success, winning two golds and one silver medal in 1988, and another two gold medals in 1990 at the British International Motor Shows. It obtained the vote of 'the best value for money' car in a British motoring magazine in 1991 and two more gold medals alongside

a Manufacturer's Excellence award for the new sleek and aerodynamic Proton Iswara in 1992. It has just introduced another model, the Proton Wira, and technologically, it has progressed further by increasing the number of car components manufactured locally and establishing comprehensive R & D facilities. Malaysia's automobile industry is expanding and a second national car is in advanced planning. Malaysian-owned assembly plants now design and produce jigs for their own use and for export.

### Technology-based Industries

You will agree with me that we should tell the world that Malaysia is an attractive centre for high technology-based industries and that Malaysia is a good technological partner for their continued competitiveness. In the true spirit of Malaysia Incorporated, I hope the corporate sector will play an active role in publicising our positive assets and providing testimony to the actual situation in Malaysia. We must also inform the world that besides Malaysia's scientific and technological capabilities, the country also provides other benefits and incentives, has a skilled and scientifically

competent manpower, and a workforce with a positive work culture.

There are many fiscal incentives offered to companies for upgrading technical capability of workers and for product development as well as for the more basic-type R & D. The Government is also removing restrictions on the employment of foreign R & D personnel and technical experts, although it pays to employ Malaysians, as they are equally competent and cost less.

Finally, I am sure that many of our foreign investors will be able to testify to the fact that Malaysia also provides a peaceful and attractive place to live. Despite having all the amenities of a developed country, the cost of living here is very much lower than in developed countries.

I, therefore, strongly urge that you use the medium of the Scientific American in its special supplement on Malaysia to tell the WORLD about our technological capacity and capability which can ensure business competitiveness into the year 2020.

## ***7TH ASIA-PACIFIC ROUNDTABLE***

**Address by the Minister of Foreign Affairs at the opening of the meeting on 7 June**

The twenty-first century, it is sometimes said, will be the century of the Pacific. Undoubtedly, economics points the way, and it is economic strength more than anything else that will determine prowess and greatness in the decades to come.

### **Economic Prowess of The Pacific**

The Pacific-rim countries, even excluding the South American continent, account for a combined GDP in excess of eleven (11) trillion dollars or nearly



*The Minister of Foreign Affairs addressing the 7th Asia-Pacific Roundtable.*

half of the global GDP. Another comparison: on the basis of current growth rates, the Pacific economy will be substantially more than two and a half times the size of the economy of Europe by the end of the first quarter of the next century. According to the new IMF formula for calculating GDP, the three largest economies - the United States, Japan and China - are those located in the Pacific region.

The twenty-first century can indeed be the Pacific century. But to make it happen, Pacific countries must dedicate themselves to sustaining their growth rates, keep the Pacific economically open and dynamic and take actions to ensure that other regions of the world too allow their economies to be open and responsive to global and not just own regional interests. That was Malaysia's intention in making the EAEC proposal which is now under consideration by ASEAN. That is the role EAEC can play to ensure an open and free global economic relation.

### Stability & Security

However, prosperity for the Pacific cannot rely on economic fundamentals alone no matter how central they may be. Obviously there can be no economic growth without stability and no development without security. Without peace, prosperity will be tenuous. But peace, like prosperity must be built on cooperation. And cooperation must substitute conflict and confidence must replace suspicion. There must be trust not fear among Pacific countries. They would need to shoulder together the responsibility of ensuring security in order to be able to share the Pacific prosperity.

Driven by economics and technology, our interdependence will grow. More and more, our destinies will become intertwined, and with that our capacity to freely mould our own futures will also diminish. Like it or not, we will have to work together in economics, politics and

security to advance what would become our common interests. This means we must begin to change our notion of security and the means we deploy to protect and advance it.

In the past, security was perceived mainly within the parameters of conflict and conflicting interests. Security was a matter for management through the application of power, especially military power. This presupposes the maintenance of security at the expense of others, which gave rise to volatile and unstable situations.

The Pacific of the coming century must build its security on less adversarial foundations. We have no choice but to move to enhance cooperation and eliminate confrontation. An engagement instead of a containment policy should be pursued. The nature of security problems in the Asia Pacific are such that they are not amenable to management through the old method of deterrence by countervailing force. Our approach should be to develop friendship and not to identify potential enemies. Our security, like our prosperity, will have to be shared through increased cooperation, transparency and understanding.

### Regional Prosperity

The common benefit of a secure environment must be made plain for all to see. There is no better way of doing this than by increasing linkages in trade, investment, technology, tourism, even labour flows. There are many other areas for cooperation. The point is to ensure that all have a stake in regional prosperity so that countries involved realise and accept the imperatives for maintaining regional security.

For small countries, this includes the necessity to engage major powers politically in order to attract their trade and investment and to keep them constructively

engaged in our respective sub-regions. Foreign powers with economic interests have to be assured that those interests will continue to be protected. On the other hand, sub-regional countries like those in Asean will have to be assured that their interests too are protected in the relationship with foreign powers. All these underscore the need for a better framework to serve this purpose effectively. This is consistent with one of the main principles of ZOPFAN.

### Enhancing Security

Closely tied to the new approach to security and how it is to be enhanced, is the need to view security in a comprehensive manner. Stripped to its bare essentials, security means nothing more and nothing less than the comforting knowledge of being secure.

For the modern nation state, security cannot mean the mere absence of threats to sovereignty and territorial integrity or to be free from military aggression and ideological subversion. Comprehensive security posits that durable and sustainable security can only be achieved when there are no threats to the economic well-being, to social harmony, to political stability no less than to life and liberty. Correspondingly, the methods and strategies for enhancing security need to be more wide-ranging and diversified - embracing political, economic, and social actions instead of relying solely on conventional ways of managing international security and inter-state relations.

The concept of comprehensive security, no doubt, requires further refinement. For example, we need to determine when an economic problem is a security problem and when it is not. At what point and under what circumstances would drug trafficking and drug addiction become a security matter? There are many other questions needing answers.

### Reviewing the Concept

The need to view security comprehensively is not new to Southeast Asia. External subversion and domestic insurgencies have been overcome not only by winning the battle for hearts and minds but also as a result of counter measures across a broad socio-economic front. There are also other dimensions of domestic insecurity, such as ethnic rivalries, which require special measures. Just as inter-state relations have grown in scope and content, inter-state security would correspondingly mean keeping secure all aspects of international relations, not just in conventional military terms.

ASEAN has adopted the concept of national and regional resilience, which is in fact another expression in support of comprehensive security. The comprehensive security concept that underlies much of national and regional thinking about security in the Asean sub-region could perhaps be developed further and be adapted to meet the needs and challenges of the wider Asia Pacific.

At this point, let me suggest that this roundtable establish a study group to examine the issues and deliberate how best they should be understood and managed in the context of establishing comprehensive security for our times, both now and in the future. I believe the need is sufficiently urgent, and the abundance of intellectual resources this roundtable can mobilise from around this region makes it eminently suited for this purpose.

### Global Interdependency

As we extricate ourselves from the constraints of the cold war and move hopefully towards an era of peace and security; as our interests and our welfare become more interwoven across the region; and as we seek

security together with others rather than against others - the importance of multilateral forums for cooperation as well as for preventive diplomacy and confidence building will grow. Of course, in this scenario, bilateralism will necessarily continue but they must fit and enhance the wider regional interests.

One of the principal areas we will need to address at the same time will be the question of the official as well as the unofficial forums for security dialogue and cooperation.

### ASEAN's Views & Priorities

ASEAN countries have taken the position that regional security can be enhanced by fostering closer bilateral relations through increased economic cooperation and linkages as well as using established ASEAN mechanisms for dialogue on security. An expanded ASEAN which includes other Southeast Asian nations and the deepening of ASEAN's relations with other regional countries or regional groups will also contribute positively to the security and prosperity of Southeast Asia.

Accordingly, ASEAN has accorded priority to the strengthening of existing ASEAN-based structures and building upon ASEAN instruments, such as the treaty of amity and cooperation in Southeast Asia, for purposes of managing conflict and building confidence. The treaty, whose central element is the peaceful settlement of disputes, inspired the ASEAN declaration on the South China Sea.

ASEAN has in fact taken steps to initiate dialogue on Asia Pacific security through the ASEAN - Post Ministerial Conference (PMC) process. A meeting between ASEAN senior officials and those of the dialogue countries has taken place. Discussions will also be pursued at the ministerial level. However, the

dialogue will be incomplete and transparency will be inadequate until all concerned countries are equally involved. Sooner rather than later, countries like China, Russia, Vietnam and others will have to be invited to participate. Their participation will be indispensable for the credibility and efficacy of the process. China, in particular, as a potential economic and political superpower has to be reckoned with. It would be in the interest of Asia-Pacific countries to ensure that China becomes constructively engaged in regional affairs.

At the non-governmental level, we have various fora for security dialogue. The most inclusive and longest-established region-wide forum has been this annual roundtable in Kuala Lumpur.

### Sense of Commitment

I am proud to be associated with this series of meeting even from before. I must therefore confess to a close and committed personal attachment to this Asia Pacific roundtable. Our commitment, of course, goes beyond the personal. Like the ASEAN-PMC process, this Asia Pacific roundtable too must pragmatically and judiciously evolve further to make it more and more inclusive and less and less exclusive. The aim is not to emulate other models but to become more productive and effective. I am, informed that beginning this year, ASEAN-ISIS (Institute of Strategy and International Studies) will assume the management of the Asia-Pacific roundtable. I think this a step in the right direction. If ASEAN-ISIS can proceed to devise a mechanism for agenda-setting involving all the member-institutes in the region, then we will have a pragmatic arrangement and evolution of the non-governmental track which mirrors and complements the ASEAN-PMC process.

## Reconstruction of Cambodia

I would be remiss if I do not speak about Cambodia today. It is a peace and security issue of direct interest to all of us especially those in Southeast Asia. Cambodia is on the threshold of a new beginning. As quickly as possible, Cambodia must be brought into the mainstream of regional economic and political life. For some time to come, the Cambodian situation will continue to be an important factor for the kind of regional security I have been talking about. Subject only to the wishes of the new Cambodian government, Asia Pacific countries have more reasons and greater responsibility than others to assist in Cambodian rehabilitation and reconstruction. Meanwhile, congratulations to UNCTAC are in order for having successfully conducted fair and free elections. We salute particularly the people of Cambodia for overcoming various odds and demonstrating resolve to reclaim their democratic rights to reestablish an independent and prosperous Cambodia.

## Bosnian Cause

Similarly, I must talk about Bosnia-Herzegovina where there is neither peace nor security to speak of. But what is happening there must be a matter for objection by all people of conscience. Much has been said, yet little has happened to halt the destruction of life and property. The situation is tragic and might indeed become catastrophic. Diplomacy has manifestly failed to inject sanity and reason to the Serbian aggressors. Definitely, the Serbs should not be rewarded for

their aggression. When those most responsible have failed to take effective actions, it would be incumbent upon other members of the UN to try other means to alleviate the plight of the people of Bosnia-Herzegovina. The annihilation of the Bosnian people must be prevented and the destruction of the Bosnian nation must be stopped.

Let me end my remarks about regional security on a positive note. While the task at hand is heavy and the need to act is urgent, there exists today a real window of opportunity for countries in the region to promote and strengthen conditions for economic growth and development. This should be sufficient incentive for us to work diligently to establish the security underpinnings as well.

I begin on a note that the twenty-first century can indeed be the pacific century, our century. These are precious little time for us to gird ourselves for the challenges of that century. To fare appreciably better in that century and indeed make it ours, we can no longer afford to proceed at the pace we have been accustomed to in the past in seeking to resolve our disputes and forging greater and more meaningful cooperation.

The task ahead of us is not impossible nor unrealistic. But it will call for extraordinary goodwill, outstanding statesmanship, substantial political resolve and remarkable effort.

The twenty-first century is only 2763 days away. The clock is ticking. Let's get down to business.

## ***6TH CONFERENCE OF MINISTERS OF EDUCATION AND THOSE RESPONSIBLE FOR ECONOMIC PLANNING IN ASIA AND THE PACIFIC***

**Welcoming Speech by the Minister of Education, Datuk Amar Dr Sulaiman Haji Daud  
in Kuala Lumpur on 21 June**

I would like to take this opportunity to express my most sincere thanks and deepest appreciation to the Honourable Encik Ghafar Baba, Deputy Prime Minister of Malaysia for graciously consenting to officially declare open the Sixth Regional Conference of Ministers of Education and Those Responsible for Economic Planning in Asia and the Pacific this afternoon. We highly value and appreciate your presence in spite of your very busy schedule.

It is indeed a pleasure and my pleasant duty to welcome His Excellency, Mr Federico Mayor, the Director-General of UNESCO, your Excellencies Ministers of Education and Heads of Delegation from UNESCO member countries in Asia and the Pacific region to this Sixth Regional Conference of Ministers of Education and Those Responsible for Economic Planning in Asia and the Pacific or MINEDAP VI. I would also like to extend an equally very warm welcome to all the delegates and representatives of the non-member states, as well as the numerous representatives of international organisations under the United Nations system, non-governmental organisations, institutions and foundations.

We are indeed honoured that Kuala Lumpur has been chosen as the venue for this Conference - the sixth in this series organised by UNESCO. The support that the Malaysian Government has given in hosting this

Conference shows Malaysia's continuing commitment to UNESCO's cultural, educational and scientific mission in the promotion of international understanding, peace progress and well-being.

It is our hope that this Conference will give us the opportunity to share and exchange ideas and experiences of common interest in the field of education which would help advance the development of education in our region.

The Fifth MINEDAP Conference was held in Bangkok in 1985 and I believe that many of us here today were not present then. It was the recommendations made at this Conference that paved the way for the World Declaration of Education for All, Jomtien in March 1990.

### **Jomtien Declaration**

As is well known, the twin goals of the Jomtien Declaration is to ensure the provision of basic education for all, and the eradication of illiteracy the world over by the year 2000. This has led us to do some serious rethinking of our national educational policies, programmes and budget allocations for education. We have all initiated Plans of Action to achieve the goals of the Jomtien Declaration but our strategies vary, according to our unique situation the magnitude of the tasks

ahead and problems faced. This forum, I believe will give us the opportunity to discuss these common problems in greater detail and enable us to share our experiences and expertise and hopefully find common patterns that will lead to greater bilateral and multilateral cooperation among us in our efforts to achieve our goals.

The Fifth MINEDAP Conference has been instrumental in identifying the priorities in education for the 20th Century. As planned, the Sixth MINEDAP Conference will review our commitments made in the past as well as prepare us to meet the challenges of the present and the future in the context of regional and international cooperation.

#### **Varied Cultural Background**

I believe that this is an important Conference, especially as it is going to address itself to the needs and problems of our region. The Asia-Pacific is a complex, but not necessarily a complicated region. Indeed, it is the seat of some of the oldest and major civilisations of the world.

What we see in the region today is the product of a tremendous process of cultural exchanges, encounters and assimilation, evolving through history.

The Asia-Pacific today is a region of great heterogeneity. The dimension of its cultural diversity and variety is almost endless. Besides this, it also represents a mixture of nations distinguished by their different stages of political and economic development. It is against this rich, diverse and naturally complex background, that the agenda of this forum is set for us to debate upon.

Judging from our varied cultural, political, social

and economic backgrounds, the debate can be, and should be, very enriching and stimulating. We have a gamut of cultural and non-cultural resources and experiences to draw upon in our discussion on matters of mutual interest and concern to the region. I truly hope that through our deliberations we will be able to identify some common aspirations and goals in education for us in this region. We must endeavour to make education a force to achieve international peace and security; to promote social and economic advancement of all peoples, and to reaffirm our faith in fundamental human rights.

#### **Nation's Development**

Malaysia is fully aware of the need to incorporate ethics, cultural values and morals in its educational system. This is an important factor in a nation's development. It needs the human resilience, which means good moral standards and discipline of the population, and not just "objective" scientific and technical know-how, to make it a lasting venture. Much of the human crisis erupting in the world today, as it has been in the past - the violence, the killings, and destruction of properties - is often due to a failure in the education system to develop the human being himself. Of course, there are other factors that come into play in this crisis, such as economic injustice and political repression, but invariably it is a crisis of the human mind, and a value-oriented education culture is the proper area in which and through which this perennial human problem can effectively be addressed. It is partly for this reason that we have proposed that a Round Table Meeting be organised during the Conference to discuss and exchange ideas on ethical education. Of course, in a region as diverse and heterogeneous as ours, there cannot be any standard values to follow; they can best be defined and formulated on the basis of each nation's particular cultural and historical background. But we hope that at least a general concept on the subject

could be evolved and a common understanding of the problem developed during the dialogue session.

I have full confidence that we, who are here this afternoon for the Sixth MINEDAP Conference, with collective wisdom and ingenuity will be able to grapple with the issues at hand and realise our aspirations for education in the 21st Century.

I hope this Sixth MINEDAP Conference will prove meaningful in further enhancing cooperation amongst countries in Asia and the Pacific. Let us take this

opportunity here to discuss, strategies utilised and hopefully find solutions to some of the common problems faced. Let us take the opportunity also for cooperation among us for the betterment of education in our region.

On this optimistic note, I would like to again extend a very warm welcome to all the participants and observers to this Conference, and invite you to take the opportunity to enjoy some of the sights and sounds of our country Malaysia and sample our varied culture. I wish you a fruitful and meaningful Conference.

### **Keynote address by the Deputy Prime Minister Mr Abdul Ghafar Baba at the conference on 21 June**

It is a great honour and pleasure for me, on behalf of the Government of Malaysia to address and officially declare open this conference.

May I take this opportunity to extend a very warm 'Selamat Datang' to the Director-General of UNESCO, Mr Frederico Mayo, all eminent ministers of Education and Heads of Delegations from UNESCO member states in the Asia and the Pacific region.

There's a heavy task ahead of us. Our task will be made heavier because of the great heterogeneity, diversity and the vastness of Asia and the Pacific region. Today, Asia alone has half of the world's population. By the year 2000, it will have two thirds, while Europe will have only 6 percent.

I believe that we should lead and not be led, so that Asia and the Pacific will become a power to be reckoned with. I think, in this context, education has a profound role to play.

As technological advances and new production methods transform the economies of the world, more than ever before, the future of a nation's place in the world hinges on the capacity to acquire, adapt, innovate and then to advance knowledge. This capacity depends largely upon the extent to which a country's population has attained literacy, numeracy, communication, thinking and problem solving skills. Increasing the level of education and training, facilitate human resource development is thus a challenge for all countries.

#### **Values and Morals**

Although I firmly believe that education is one of the keys to unlocking the doors to social and econom-

ic development and a dynamic force for our future growth and survival, for education to fulfill its intended function, it must not lose sight of the importance of the values dimension in education. That is, it must also engender a vital sense of the importance of values and morals for the development and well being of human society as a whole. It is through these values that the individual and society find their identity and worth.

As you are aware, in several so-called 'developed nations', concern over this cultural or value problem has led to various attempts to reform existing materialistic education systems to make them more human and cultural and to restore 'the good old values'. We should avoid the pitfalls which the developed nations are facing in their systems.

Malaysia is fully aware of the need to incorporate ethics, cultural values and morals in its educational system. This is an important factor in a nation's development. It needs the human resilience, which means good moral standards and discipline of the population, and not just "objective" scientific and technical know-how, to make it a lasting venture.

#### **Human and Cultural Understanding**

We, the Asia-Pacific community, should be alert to the overriding problem of values, if properly identified based on our common heritage, can have a far-reaching impact on the promotion of human and cultural understanding across our national boundaries.

This is especially necessary in the present time of rapid economic growth in this region. One of the problems among others is the breakdown of the traditional extended family. The extended family system of

the Asia and Pacific Region had always acted as a cushion against some of the negative aspects of modernisation.

The extended family which has traditionally provided economic and social security to its members is slowly being replaced by independent households. This implies that over the coming decades, there would be an increase in the obligations of Governments of countries in this region to help families to fulfill their traditional functions.

### Problems Involved

The problems of education are generally the same everywhere, education being a universal necessity of mankind. Provision of education for all remains a basic problem in many developing countries.

For us in this region, illiteracy is still a challenge and among some of the problems we have to strive to eradicate. Eradication of illiteracy is not something impossible as there are already countries which have dramatically succeeded in doing it.

Today, in many countries in this region, as the learning force grows and the workplace environment receives the impact of rapid development, social and cultural changes; the demand for continuing education is growing in demand. This is especially so in skills training which augurs well with the ever increasing need for better trained manpower to meet the industrial needs of the nations. Current demands for such trained manpower has prompted governments and the private sectors to provide skills training through formal and non-formal means and through in-plant and in-services trainings.

### Quality Education System

Conventionally, demands in education have been met by pumping in more funds. In the future it will be necessary to look into other avenues to meet these needs. One avenue is the cost-efficiency aspect of education. This relates to how well goals are achieved relative to resources expended. The challenge thus lies in setting the right educational goals. It is critical therefore for governments to concentrate resources on those improvements that are known to enhance student learning.

It is only through developing a strong managerial and institutional capacity that countries will achieve a quality education system that is sustainable. For us in this region, I think, this is another challenge for the present and the future.

### Joint Efforts

Apart from financial aid and assistance, there is also the need for more inter-country, inter-regional cooperation in the field of education especially in terms of joint projects, exchange of experience and insights, joint deliberations and thinking. Cooperation is also needed in the form of specialised training, attachments and exchange programmes, research and development, cooperative studies and twinning programmes. Cooperation of this kind among the countries in this region can contribute significantly to each participating country's efforts both present and future. Clearly, in these areas, regional and international communities can provide invaluable support and active cooperation which is as important for the integrity of their intellectual mission as it is for the support of the countries.

For us in Asia and the Pacific, regional cooperation can bring more benefits than we can ever imagine. The dimension of its cultural diversity is almost endless. These are also a mixture of nations distinguished by their different stages or states of political and economic development. This varied and diversified cultural, political and economic background could be an asset and a source of strength for members of the region. We should be able to tap this diversity in order to enrich our common experience and to facilitate more regional cooperation.

We as Ministers of Education, Educational Planners and Policy Makers, are invested with the authority and influence to shape and set directions in

our respective countries. We are also in a position to bring about change that will ensure our common and noble aim of providing accessibility to education.

Let us remind ourselves of one thing - that we are accountable to the people we work for, to the country we belong to and to ourselves. As members of UNESCO, we would be able to share our expertise, share our problems and enable mutual cooperation. Let us thus work towards ensuring that the existing mechanism facilitated by UNESCO within the cooperative inter-agency arrangement continues as an important vehicle for improving education in this region.

I hope you will have a pleasant stay. 'Terima kasih'. On this note, I declare open this conference.

# **STATEMENTS MADE OVERSEAS**

## ***VISIT TO UZBEKISTAN BY PRIME MINISTER***

**Speech by the Prime Minister at a business luncheon in Tashkent on 1 April**

I am pleased to be given this opportunity to address a joint session of businessmen from Uzbekistan and Malaysia. When I first visited Uzbekistan in 1987, I also brought with me a group of leading businessmen from Malaysia. At that time, trade and economic relations were conducted through Moscow. Since then and especially with Uzbekistan's independence in 1991, businessmen from our two countries have had the opportunity to have direct business contacts. This is a very important first step in the development and promotion of trade and economic cooperation between the two countries. However, despite the many official and business exchanges, very little business is conducted between our two countries.

### **Market Economy**

Uzbekistan's economy is in transition to a market economy. Given the current policies and programmes in Uzbekistan, and with the gradual integration of Uzbekistan into the world economy, the situation will undoubtedly change. These changes provide many promising opportunities.

Your priority to develop a market economy, to attract foreign investments and to process your natural resources are all to be expected. When Malaysia first achieved independence some 35 years ago, our main exports were primary commodities. Our manufacturing sector then accounted for only about 13 per cent of GDP in 1970 and only 12 per cent of Malaysia's total exports.

However, in 1992, the manufacturing sector ac-

counted for more than 29 per cent of GDP and about 69 per cent of Malaysia's total exports.

As we very soon realise in Malaysia, if we wish to attract new foreign industrial investments into the private sector, it is vital that the existing private sector be happy with the investment environment. Likewise, if Uzbekistan is to attract new foreign investments, it is vital that existing investors should have a good story to tell. In Malaysia the relationships we have developed with the private sector and the conscious efforts of Government to listen to genuine private sector grievances have made the existing private sector a positive force in our own investment promotion efforts.

### **Role of the Private Sector**

In Malaysia the private sector has been given a leading role in economic development; in fact it is the engine of growth. Since the early 1980's, a new concept of cooperation between the Government and the private sector was introduced. The Government considers the private sector as partners in the development of the nation. The Malaysia Incorporated concept promotes the idea of the nation as a big corporation in which everyone has to work to bring about success and mutual benefit.

This policy has worked well and the Government has made it the cornerstone of its policy to make Malaysia a developed nation by the year 2020. I am sure that the vast experience gained by the Malaysian businessmen present here today would be invaluable in Uzbekistan's efforts to switch to a free market economy



*The Prime Minister being greeted by Uzbekistan President Islam Karimov on arrival at the Tashkent International Airport.*

in the effort to rapidly develop the country. I, therefore, wish to urge businessmen from our two countries to share their experiences, to learn and to help each other for the mutual benefit of our two countries. This bilateral cooperation could be in the form of trading and investment. I am aware that Uzbekistan is one of the leading producers of cotton. You also have silk, gold, fresh fruits and vegetables, leather and cotton seed oil. In return Uzbekistan businessmen can use the foreign exchange earned to buy consumer goods, such as clothing, footwear, consumer electronics, furniture, telecommunication equipment, medicaments, food and

other raw materials which your country needs. A bilateral payments agreement between our central banks can also help reduce the need for hard currency when trading with each other.

#### **Economic and Investment Opportunities**

In addition to this, Uzbekistan businessmen in joint venture with Malaysian businessmen can set up marketing companies in Malaysia to source quality products from suppliers in the ASEAN countries and other East Asian Nations at much cheaper prices than

can be supplied from the developed Western nations. Likewise a joint-venture supply base can be set up in Uzbekistan to sell to customers in countries bordering Uzbekistan - thus creating a kind of entrepot base in your country. Of course such marketing arrangements can also help the export of Uzbekistan's produce. All these are possibilities worthy of consideration.

Malaysia also has certain expertise and technological skills which can be useful to Uzbekistan. No doubt Uzbekistan too has skills and technology which Malaysia may find useful. Already Malaysian businessmen have been invited to participate in infrastructure and social development projects in several South countries. These include the building of low and medium-cost housing, telecommunications, road development and laying of pipelines, oil exploration and production, free market financial managements, etc. These will be significantly cost-efficient as compared to the high-cost suppliers from the developed world.

There are also opportunities for investment. Here I would like to address the Malaysian businessmen in particular to consider reverse investment possibilities in Uzbekistan. During my talks with President Kari-

mov, he has assured me that his Government is ready to provide all assistance and facilities for Malaysian businessmen to invest in Uzbekistan. I also understand that Uzbekistan has a fairly attractive and liberal foreign investment law which provides guarantees which are normally sought by investors. The Government has also identified several areas of joint-venture possibilities such as the blending of local cotton seed oil and palm oil, assembling of telephones, assembling or manufacturing of airconditioners, construction of tourism facilities, joint investment bank, and exploration for oil.

The opportunities presented are, therefore, vast and it is time we begin serious discussions, identify specific projects and work towards implementing them. All we need is one or two successful projects, which will then serve as a catalyst for greater economic interaction.

I would like to end by calling on you who are present here today, many of whom are captains of industry, to take the opportunities presented to set your immediate goal, thus bringing to fruition your discussions. Let us not let this opportunity slip by.

## VISIT OF HIS MAJESTY TO JAPAN

Speech by the Yang di-Pertuan Agong Sultan Azlan Shah at the State banquet given by Emperor Akihito and Empress Michiko of Japan on 5 April

On behalf of the Raja Permaisuri Agong and on my own behalf, We would like to express to you, Your Majesty, Our sincere appreciation for your very warm words of welcome and for the generous hospitality accorded to us since our arrival yesterday. We are

indeed very happy to be here in Japan to reciprocate Your Majesties' visit to Malaysia in 1991 and renew our friendship between our two nations. We and the people in Malaysia, retain very fond memories of Your Majesties' last visit to Malaysia.



*The Yang di-Pertuan Agong, at the state banquet held in his honour during his state-visit to Japan.*

May we also express our sincere appreciation to you, Your Majesty, for the kind and excellent arrangements made for our visit. We look forward to enjoying the charm and beauty of your great country, especially at this time of the year when cherry blossoms give a special splendour to spring in the land. We are confident that this visit will add to a deeper understanding of Japan, a country which has been very successful in its industrialisation and yet able to preserve the uniqueness of its ancient culture.

### **Towards Industrialisation**

We are very pleased to note that the relationship between Malaysia and Japan has been considerably strengthened in the past decade. We are very appreciative of Japan's contributions towards enhancing bilateral relations in respect of trade, investment, technical and development assistance and tourism. While we in Malaysia are pursuing policies towards attaining a developed country's status by the year 2020. We are hopeful that the continuing close cooperation between our two countries will contribute towards the attainment of our objective. Among our various human resource development programmes, the 'Look East Policy' in cooperation with Japan is of special importance. Through this policy, Malaysia aims to emulate the success of Japan and other countries in East Asia in their work ethics, management systems and organisational methodology which we believe are fundamental to the successful growth of a modern country. We seek

also to broaden our technological base and strengthen our research and development efforts. In this respect, we are hopeful that Malaysia can count on the Japanese Government and the private sector of Japan to continue their invaluable assistance and cooperation.

### **Japan's Role**

We are pleased with the success of the recent visit of the Prime Minister of Japan to Malaysia and three other countries in ASEAN. The Prime Minister's visit demonstrated the importance that Japan places on her relations with the ASEAN countries. We are confident that ASEAN's relationship with Japan will strengthen with greater cooperation in all aspects of economic endeavour in the years ahead.

On regional cooperation, We note with satisfaction that Malaysia and Japan share a common view regarding the importance of sustaining rapid economic growth in the East Asian region through promoting trade liberalisation and openness. We look forward to joining hands in partnership with Japan to assist our neighbours in Indochina in the rehabilitation of their economies which will significantly contribute towards regional peace and stability.

May we invite you to join us in a toast to the good health and happiness of Their Majesties Emperor Akihito and Empress Michiko and to the everlasting friendship between the people of Malaysia and Japan.

## ***SITUATION IN BOSNIA-HERZEGOVINA***

**Statement by Ambassador Razali Ismail, Permanent Representative of Malaysia  
at the Security Council on 19 April**

At the outset allow me to join the others in extending my delegation's congratulations to you as President of the Council for the month of April. I would also like to take this opportunity to extend our appreciation to your predecessor, Ambassador O'Brien of New Zealand for his efforts and skills in guiding the work of the Council last month.

### **Call for an Immediate Action**

Today's meeting may have mixed motives since there has been weeks of opposition from certain members for a formal debate. My delegation hopes it is related to the terrible plight of Srebrenica and the implication of its fall in terms of the Council's reputation and effectiveness and on the many thousands that will suffer. While Malaysia welcomes the recent adoption of a resolution 820 (1993) by the Council on the tightening of economic sanctions against the Former Federal Republic of Yugoslavia (Serbia and Montenegro), we regret that the sanctions measures are not comprehensive enough even though the Serbian aggression against Bosnia has been going for more than one year. Our main concern is that the tightening of sanctions under resolution 820(1993) would not have the immediate effect of protecting the Bosnian Muslims from continuing Serbian heavy bombardments on civilian populated centres, particularly Sarajevo and Bihaq, and would still leave Bosnian Muslims vulnerable to Serbian attacks and interruptions of UN relief supplies to other areas. The desperate situation on the ground in Bosnia calls for effective and concrete action by the Council to be taken as a matter of urgency. In this,

regard, Malaysia would like to urge the Council to take the following measures:-

- a) measures to place under UN control heavy weaponry of all sides;
- b) creation of safe havens which among others would require measures to stop Serbian bombardments and ensure free and uninterrupted flow of relief supplies;
- c) measures to interdict the supply lines of the Serbian forces in Bosnia;
- d) lifting of the arms embargo with respect of the Government of Bosnia in accordance with Article 51 of the Charter.

These are not new proposals. They are contained in General Assembly resolutions 46/242 of 25 August 1992 and 47/121 of 20 December 1992. In addition, the Non-Aligned Member Caucus has been asking the Council to consider such measures for the last several weeks and the Malaysian delegation would like to express our deep appreciation to the Non-Aligned Caucus for their efforts.

### **Partial Interest**

The Malaysian delegation would like to take this opportunity to express our serious concern over the actions of certain Council members in obstructing repeated desperate requests for emergency meetings of

the Council to address the growing deterioration of the situation in Bosnia. Those actions tantamount to applying a surreptitious veto. Also we are disheartened that the Council had succumbed to positions taken by certain Permanent Members of the Council that delayed the passage of both Security Council Resolutions 816(1993) on the enforcement of no fly zones and 829(1993) on economic sanctions.

As regards the Peace Plan, reluctantly while recognising significant shortcomings, Malaysia accepts the view of the Secretary-General in his report S/25479 that "the Co-Chairmen's peace package provides the only mechanism available for the re-establishment of peace, with justice and respect for human rights, in Bosnia and Herzegovina". However, we question what is the status of the Plan now, with two parties signing and the continued rejection by the Bosnian Serbs and the continuing rampage of the Serbs. The Council must clearly manifest its resolute will to ensure acceptance of the Plan by the Serbian side, by all necessary means. Half hearted measures would amount to acquiescence of the Serbian onslaught.

### **Humanity at Stake**

At the same time, the question looms even larger over the continued unwillingness on the part of the Council to take more resolute measures and to respect the General Assembly resolutions 46/242 of 25 August 1993 and 47/121 of 20 December, 1992 of the Council. As long as the Council remains in such a state, the Serbs will roll on in ruthless pursuit of a perverse grand design for a greater Serbia. My delegation understands how unready the United Nations is for the necessary tasks in Bosnia. In upholding the rule of law within the framework of collective security, the United Nations in concert and with universally accepted promises would raise readily united armies to reinforce and punish perpetrators such as those that are now committing

atrocities in Bosnia. The United Nations may yet take some years to develop such an approach to collective security, but events do not choose opportune moments to throw up challenges, and the Council cannot afford to choose when to act, determined by views of a few, while Bosnians continue to be slaughtered. The challenge being posed by the Bosnian situation to the Council is now, ready or not ready. We are witnessing crimes against humanity being committed by the Serbs that threaten to blot the gains accrued with the end of the Cold War, by a revitalised United Nations and by the emerging consensus on values that govern states and societies. What adds to further cynicism is when women, children, innocent civilians and refugees of Srebrenica were being bombarded by the Serbs, necessary action were held back for political consolidation reasons elsewhere.

### **Call for International Support**

As the Council's effectiveness remains in question, my delegation has no choice but to use this debate to direct our appeal to the United States, both government and people to help Bosnia. My delegation finds no assurance in the actions of Europe. That region is undergoing a grave revival of ethnic strife, intolerance and conflict that threatens Europe's own standards. By refusing to support military action against Serbian ethnic cleansing and aggression, the Europeans are in danger of allowing a revisit of appeasement and genocide. The former Prime Minister of Britain Lady Thatcher recently has excoriated current European leaders for their impassivity. Also Europe has not only been unable to decide in concert to stop the atrocities but would appear to have been obstructing possible role of others including that of the United States.

The situation in Bosnia, whatever the original causes, must now be solely seen as deliberate actions to forgo together a greater Serbia territory, by any number

of killing, rape and other forms of brutalisation. The Council has to act to stop the further expansion of the "killing fields". The Council members cannot remain in analysis paralysis, deaf to the chorus of dying voices seeking help. If there is ever any clear role and responsibility for the United States to lead in the Council it is now, to provide a lifeline to the suffering Bosnians, whatever it takes. There is a general acceptance that it is only the United States now that can galvanise the Council into action that can save the Bosnians from extermination. The United States is right in expecting

support from the international community for selective enforcement actions in Bosnia. Malaysia, and I am sure many other members of the international community will stand ready to join the US in a United Nations collective enforcement action.

If under the certain circumstances, the Council is still unable to act, then the time would come for the general membership of the United Nations to consider working towards a uniting for Peace Resolution at a special session of the General Assembly.

## Statement by Ambassador Razali Ismail at the Security Council on 29 June

At the outset allow me to join previous speakers in extending my delegation's congratulation to you as President of the Council for the month of June. I would also like to take this opportunity to extend our appreciation to your predecessor, Ambassador Vorontsov of the Russian Federation for his effort and skills in guiding the work of the Council last month.

There have been more than 40 resolutions adopted by the Council since 1991 to address aggression and genocide in Bosnia-Herzegovina. None of these resolutions has been effectively implemented. Basically, the Council has failed in its responsibility under Article 24 of the Charter to take prompt and effective action to restore international peace and stability.

### Upholding Fundamental Rights

The choice for the Security Council in addressing the Bosnian issue at this juncture when genocide continues and a member state is being dismembered is clear - either it takes a more determined and concrete action in accordance with its primary responsibility under Article 24 of the Charter, using all the powers available under Chapter VII, or lift the arms embargo which will allow the Government of Bosnia and Herzegovina to exercise its inherent right to individual and collective self-defence.

No one can dispute that the arms embargo in reality has affected only the Bosnians and Council's denial of this right has led to the slaughtering of the Bosnians, denying them of their most fundamental right i.e. the right to life itself.

It should be pointed out that the application of the arms embargo on the Government of the Republic of

Bosnia and Herzegovina is wrongly directed as resolution 713 (1991) was adopted before the Republic became independent of former Yugoslavia and joined as the 170th member of the United Nations on 22 May 1992.

### Right To Self-Defence

Coming to the Council, once again, the Malaysian delegation finds it necessary to appeal to the conscience and moral judgement of each member of the Security Council over what further steps have to be taken to save Bosnia-Herzegovina. The members of the Security Council must take into account two resolutions of the General Assembly, resolution 46/262 and resolution 47/121, that have been passed with big majorities underlining the collective stand that the Bosnians must be allowed to have recourse to arms to defend themselves. Recently, at the World Conference on Human Rights in Vienna, a special declaration with direct appeal to the Security Council was also passed, calling for the lifting of the arms embargo for the Bosnians. Council members cannot dismiss out of hand or be oblivious to the moral question before them. Can a handful of countries in the Security Council continue to not even reconsider the possibility of reviewing the arms embargo in the light of a huge chorus of appeal from the international community?

### Non-committal

Regrettably, the intransigent position of a few countries is the obstacle to a review of resolution 710 (1991). Bosnia-Herzegovina, ironically enough and with tragic consequences, is a problem in Europe that Europeans have failed to solve but at the same time insistent that there can be no other means except by that

undertaken by certain countries of Europe themselves. We are seeing now the realisation of our worst fears as a result of that situation; the virtual abandonment of the Vance-Owen plan in favour of the Milosevic-Tudjman proposal for the partitioning of Bosnia-Herzegovina into three states based on ethnic lines.

Although full details of the proposal are not yet available, its acceptance means legitimising Serbian acquisition of territory through the use of force and the abhorrent practice of ethnic cleansing. As we meet here at the UN Headquarters in New York, the Serbians and Croats are launching joint attacks to grab more territories by force in fulfillment of the Milosevic-Tudjman plan to dismember Bosnia-Herzegovina. Europe must realize full well that what the Serbs and Croats want is a total surrender by the Bosnian Muslims.

#### **Serbs Aggression & Atrocities**

My delegation would also appeal to individual Council members to examine again the promise behind the decision to adopt resolution 713 on the arms embargo. That resolution was predicated on the Security Council being able to take effective steps to stop the strife and push back aggression. Those things never

happened. On the contrary, at the cost of hundreds of thousands of immense tragedy the dismemberment of Bosnia is in progress. Is resolution 713 still applicable to the Bosnians who are fighting for their lives? There is an argument being promoted, that lifting of the arms embargo for the Bosnians will lead to a greater escalation of violence, would affect humanitarian efforts and would threaten the concept of safe havens. My delegation appeals to Council members to examine clearly this argument. What further intensifications of fighting can one envisage when already there have been thousands killed and the Bosnians are huddled pitifully in places of refuge and their territory shrunk into divided pockets of survival? What humanitarian efforts are we to safeguard when humanitarianism has been totally abandoned by an appeasement policy that has allowed marauding armies their full away? What is the future of safe havens when the rest of Bosnia and Herzegovina is being allowed to be swallowed up.

The single thrust of this resolution today is to give the Bosnians their inherent right under Article 51 to defend themselves. The resolution today is expected not to pass because a handful of members continue to insist that they must reject this highly untenable situation now and provide the Bosnians their right to self-defence.

## **24TH GRADUATION CEREMONY OF THE ASIAN INSTITUTE OF MANAGEMENT**

**Speech entitled "Public-Private Cooperation in Development" by Tan Sri Dato' Seri Ahmad Sarji  
Abdul Hamid, Chief Secretary to the Government of Malaysia in Manila on 9 May**

It is indeed a great pleasure for me to be here this afternoon to share in the momentous event of your graduation. I wish to express my profound gratitude to the Asian Institute of Management for extending to me the honour of being the Commencement Speaker on this occasion. To those of you who are graduating today, please accept my heartiest congratulations.

### **Employment World**

When you enter into the employment world, you are either in the government service or in the private sector. Whatever your occupation is going to be, I am sure that you have read and learnt about the distinguishing features of each sector. The distinguishing features of the public sector include (i) activities which are highly constrained by laws, rules, regulations and procedures (ii) fragmentation of authority or multiple formal accountabilities, for example to the clientele, the legislature, courts, regulatory agencies, citizen groups etc. (ii) activities highly scrutinised and constrained by informal, political influences for example the media, political parties, interest groups, public opinion. The laymen consistently iterate four characteristics of government and public servants: (i) they are wasteful and inefficient, (ii) they are insensitive, unmotivated bureaucrats; (iii) they enjoy excessive job security; (iv) they will never get ahead financially in a government job.

### **Partnership in Development**

On this day I wish to address this august assembly on the need for public-private sector partnership in national development - a partnership that I see being so essential to countries of this region if they are to survive the challenges of the years ahead. Today, public policy can no longer be defined in national terms. We need to be constantly aware of global interdependence of trade, investment, labour, as well as the management of the environment. The sale of our manufactured products is increasingly reliant on foreign markets. The rapid movement of capital and funds as well as labour across national boundaries are realities of the day. For the private sector, survival increasingly means being 'global competitors'. Success depends increasingly on the ability of firms to conceive quality products for the world market and to be competitive in production. Productive collaboration between the public and private sectors is therefore essential to strengthen the nation's economic foundation.

The fundamental basis of this new approach in development strategy is that successful national development requires the public and private sectors to adhere to the perception that the nation is a corporate or business entity, jointly owned by both sectors and working in tandem in pursuit of shared national goals. In simple terms, the nation can be run like a corpora-

tion, with certain divisions responsible for production, sales and marketing, and research, and yet others are responsible for providing the supporting and ancillary services. Within the ambit of this definition, the private sectors forms the commercial and economic arm of the national corporation, while the government lays down the major policy framework and direction, with the civil service as the service arm of the corporation. The economic and service arms must work in full cooperation for the nation to prosper, in the way that a well-run corporation prospers.

### Interdependency of Public & Private Sectors

The partnership therefore delineates the respective roles for the public and private sectors. The private sector acts as the main engine of growth of the national economy. The public sector on the other hand is expected to function efficiently to support the efforts of the private sector which provides the revenue necessary for the operational expenditure of the Government including the maintenance of the public sector. The more profits the private sector makes, the more revenue is collected, thus bringing direct benefit to the public sector. In the language of business, the success of the public-private sector partnership means a higher level of spin-offs in economic investment, expansion and growth. The government's interest in the success of the partnership would be the generation of employment opportunities and increasing revenue to fuel socio-economic development.

Citing the case of Malaysia, how do we bring about a working reality of this public-private sector partnership? Such partnership is operationalised through a four-pronged strategy, namely: (i) the redefinition of the role of the public sector; (ii) bringing about attitudinal change; (iii) the establishment of structural mechanism for collaboration and consensus building; and (iv) a review of the performance, systems and structures of the civil service.

### Mutual Understanding & Cooperation

The proposition for greater public-private sector partnership seeks to efface the dichotomous existence of the public and private sectors in the country. This dichotomy had in the past tended to generate conflict between the two sectors. The public sector entrusted with specific powers to safeguard public interest has long emphasised its regulatory role over the conduct and activities of the private sector. The shift to private sector-led economic growth requires the redefinition of the public sector's role in relation to private sector activities. In this context the public sector today must act as the facilitator to ensure the success of the private sector's entrepreneurial efforts, while continuing to provide the legal and regulatory framework.

The basic ingredient for the success of public-private-sector nexus is the fostering of mutual understanding, cooperation, trust and confidence in each other. This calls for appropriate attitudinal change for a strengthened and successful partnership which encompass close cooperation, responsiveness, flexibility, openness, and consultation. Such attitudinal change requires a positive reorientation of perception in terms of roles, needs and responses. The private sector must understand the policies, objectives and procedures of government agencies it deals with. The public sector must, on the other hand, be sensitive to the needs and goals of private enterprise. It has a duty to ensure that no undue hinderance is put in the way of the private sector.

### Consultative Processes

The third strategy involves the establishment of the structural mechanisms for public-private sector collaboration. Crucial in this context is the establishment of consultative committees; the network of information exchanges and the sharing of knowledge and experience at all levels of administration i.e. federal, state and

district levels. Consultative processes must necessarily include the broadest spectrum of sectoral and sub-sectoral interests within the private sector. In this regard, the interests of the largely unorganised small and medium sized industries and businesses must be appropriately represented. The consultative processes are made more effective with the participation of strong national industry and business groups, with well organised research back-up capacities to provide timely and accurate data and feedback. The focus of the consultative processes must address to the identification and resolution of problems and issues relating to the functions and service delivery of individual government agencies. It must also provide feedback on the implementation of policies as well as measures to rectify administrative weaknesses. There must be consensus as well as joint efforts and collaboration in the development of human resource, the search for new products, new markets and technologies, sharing of vital economic intelligence, R & D for product development and innovation, all done in a national competitive spirit.

### Quality Services

The fourth strategy entails the public sector to assess its performance, systems and structures to provide improved delivery of services to the private sector. Decision making and work processes must be expedited. Other critical areas for improvements include: (i) quality and productivity management and improvement; (ii) the establishment of an increasing number of one stop centres for licensing in local authorities; (iii) streamlining of rules; regulations and procedures for the processing of licences and permits; (iv) improvement of service counters in government departments; (v) provision of guidebooks on procedures, rules and regulations for licences, permits and the conduct of business activities; (iv) computerisation of work process and the installation of modern telecommunication systems; (vii) inculcation of positive values and attitudes in the public service, and, (viii) the introduction

of citizen's charter. There must be commitment and assurance of quality services. The drive for quality improvement must be the joint endeavour of both sectors.

### Ethics and Moral Values

The close collaboration between the public sector officials and private sector executives must be carried out within the bounds of accepted ethical and moral behaviour. This is to prevent untoward excesses derived from the relationship. The absence of ethical values and morality will encourage rampant instances of abuses of power and corruption. An ethical posture towards work in the public and private sectors requires not only knowing the right answers but being willing and able to do what is right. Over the last several years, there has been a surge of interest in ethical issues and dilemmas in business, and to the ethics of those in government. Moral leadership must come from those in public office. Aristotle said that people in government exercise teaching functions. Among other things, we see what they do and think, and that is how we should act. Unfortunately, when they do things that are underhanded or dishonest, that teaches too. Ethical issues permeate both public and private organisations. You will often face difficult ethical choices. These choices may present themselves in several ways - when responsibilities against personal needs or desires. Since the public's trust is an essential element in effectively leading and "managing in the public interest", the personal conduct of public officials and the perception of personal conduct are continuously being scrutinized - such as misbehaviour, impropriety, waste, fraud, and abuse of authority. There is a plethora of rules and procedures that attempt to guide administrative behaviour. Governing individual behaviour in the private sector is accomplished through professional codes, ordinances, regulations and statutes. You must observe the law.

## Virtue of Education

Above all, as you move on, remember that human attribute; the ability to turn around and look in any direction. Blinders are for horses, not for people. If education has any single goal, it is to encourage people to know how to go about getting the answers. It is not enough in life to be a listener, a passive member of the audience. It is not enough to look straight ahead and never look around. It is not enough to breathe a sigh and figure that your learning days are over. The lucky individual is the individual who never stops learning until he or she stops breathing.

It has been said that the degree is only a paper qualification. But it is also a product of hard work, discipline and mental dexterity. At the same time, although we graduate together we are not all from a culturally homogenous society; our religious beliefs, history and experience have imbued in us fundamental

values like honesty, integrity, discipline and a sense of justice. These values are vital in bringing about a stable and progressive social order.

Increasingly we face the onslaught of difficult moral and ethical choices. We are working in an environment that reflects a daily erosion of moral values and ethical decays. You have a choice of either becoming a leader or a follower. As a leader, you could contribute to your society by cutting a new path and setting pioneering example of holding steadfastly to good moral and ethical values. Or you could just be a follower and sink together with the flow of the erosion that prevails. The moral sense, or conscience is as much a part of man and we cannot divide ourselves between right and expedience. A proverb of 1887 says, "Expedients are for the hour but principles are for the ages". In the end, goodness is the only investment that never fails. People who value their privileges more than principles soon loose both. Thank you.

## ***STANDING MINISTERIAL COMMITTEE FOR ECONOMIC COOPERATION***

### **Remark by the Foreign Affairs Minister on Agenda Item 6: Relaunching of the North-South Dialogue, in Bali on 11 May**

As this is my first intervention, please allow me to express the deep appreciation of my delegation and myself for your Government's initiative in hosting this important meeting. As close neighbours, it is always a pleasure to visit Indonesia, and in particular this beautiful island of Bali. I have no doubt, that under your chairmanship, this meeting would be extremely productive in promoting economic and other forms of cooperation among the members of the Non-Aligned Movement.

We are grateful to the Chairman of the Non-Aligned Movement for his opening address in which he has eloquently set the direction and tone of this meeting.

NAM has now existed for 30 years, a period during which it has stood firmly in favour of a set of fundamental and enduring principles and objectives, leaving a major imprint on world history.

Given the significant changes in the geopolitical context and in the international economic sphere, the NAM Jakarta Summit was of great significance. The Jakarta Summit gave us the opportunity to review and update the purpose of the Movement and its future course. In this regard, this Ministerial Meeting is timely in the implementation of the Jakarta Summit decisions.

### **Challenges Ahead**

To me, the Non-Aligned Movement has stood for peace, human rights, and an economically just world. The basic values and objectives of non-alignment remain valid in the current world and need to be promoted and defended vigorously. Old problems broadly defined as North-South issues remain on the international agenda, unresolved and more acute than before. New issues have emerged, posing fresh challenges for the international community, and for developing countries in particular. The need for effective arms reduction, including the elimination of nuclear weapons, the need for economic growth and development, especially in the South, and the need to find solutions to problems such as environmental degradation, narcotics, and AIDS remain our major preoccupations.

At the same time, increasing global interdependence has also served to highlight inequalities between and often within nations. The answers to these inequalities and disparities cannot be found in the pursuance of policies based on narrow cost-benefit calculations, as championed by the well-off and dominant nations. Such an approach can only exacerbate the already marked tensions and contradictions that cloud the prospects for international peace and stability.

While the powerful appear to have accumulated even greater power as a result of these changes, the vast majority of humankind has been marginalised from participation in global decision-making. Furthermore, countries of the South continue to be subjected to economic and political pressures.

### **Enhancement of Economic Cooperation**

In this regard, there should be collective awareness, and collective action, through various forms such as:

- \* the strengthening of national development and the enhancement of South-South economic cooperation;
- \* the building up of the South's influence through its solidarity vis-a-vis the North, which has itself strengthened its own mechanisms of political, economic and military cooperation and coordination;
- \* the influencing of the shape and function of the structures governing international political and economic relations, with a view to democratising international relations and the world economic systems.

NAM has a historic role to play in renewing the democratic debate and dialogue among nations, so that more than the voice of the chosen few is listened to.

Progress, cannot be assured merely on the basis of collective action and the soundness and efficacy of domestic policies. It is also crucially dependent on a supportive global environment without which the best of policies can be undermined and frustrated. Such a supportive environment is all the more important since the policies themselves lay stress on outward looking

patterns of development and virtually all countries are seeking to benefit, at the same time, from greater integration into the global economy through trade, investment flows and exchanges of various kinds.

It is for this reason that any economic agenda for NAM must also place a strong emphasis on the need for a supportive global environment that embraces such crucial issues as debt service burdens, capital flows, market access and commodity prices. Favourable conditions in each of these areas are crucial to the efficacy of domestic policies. The issues themselves have been on the agenda of the developing countries for a long time. But they take on new aspects and new dimensions in a changing situation and are, in any case, so basic and fundamental that they remain relevant over time. The quest for change and improvement in these areas is not a quest, merely, for more aid or "concessions" from the developed countries. It is essentially a search for equitable policies, mechanisms and systems that give strength to the development process and hence to the global economy as a whole.

### **New Issues**

In recent years, other issues have also emerged as subjects for international dialogue and action. These reflect growing concerns for the environment and for social and human development. These are all issues of the greatest importance and the increased attention given to them should be welcomed. Nevertheless, the new issues are not in any way a substitute for the "hard" issues in the areas of money, finance and trade. There should not, therefore, be any trade off-between these sets of issues as subjects for international negotiations. Many of the major actions called for in relation to the new issues fall within the realm of domestic policies. The hard issues, on the other hand, essentially involve international actions and call for responses from the developed countries.

East-West negotiations on a range of matters connected with East European transition are proceeding apace because they are given the highest priority by the major powers. The situation will not be changed by conciliatory gestures on the part of the South or by its acquiescence in Northern priorities.

### A Threat

Despite the rhetoric of partnership and of a "global village" there has been a growing trend in recent years, projected by the media and other sources in the North, to portray the South as an increasing threat to the North rather than as a partner. There are many facets to this emerging image. The South is seen as a demographic threat which is depicted as an impending "population bomb". It is seen as an environmental threat because of the potential consequences of Southern industrialisation for the global environment. It is seen as an economic threat because of the consequences of southern exports of goods and services on employment and investment opportunities in the North. It is viewed as a potential military threat because of the possible build up of weaponry, particularly nuclear and chemical, in countries of the South. Above all, it is seen as a political and social threat because of the influx of migrants and refugees and of possible links with drugs, terrorism and social abuses of various kinds.

This perception of threat encourages the creation of new "barriers" to protect them from the South. It is crucially important, therefore, that this attitude be shown to be counter-productive. In the shrinking world of today, Eastern Europe is only a little closer to home for the countries of the North than those of the South. The North, therefore, needs to be convinced that, today, whatever protective measures it takes, it cannot remain immune from the consequences of whatever happens in the South. The developed countries must understand and be convinced that the very threats that concern them are likely to be aggravated by economic, political and social disruption in the South. This is a critical situation, that needs to be urgently addressed by both the North and the South.

It is therefore clear that the relaunching of the North-South Dialogue has become imperative. The North-South Dialogue, must, be comprehensive involving all sectors of developments taking into account the primacy of the inter-governmental process. In this connection, as we are all aware, the Group of Seven is scheduled to meet in Tokyo shortly. Malaysia is supportive of the Chairman's initiative to be present at the Tokyo Summit, articulating the concerns and views of the NAM members. Indeed, other representative organisations of developing countries should also take steps to complement this initiative.

## ***ASIA SOCIETY CONFERENCE***

### **Speech of the Prime Minister on 'Asia and the Changing World Order' in Tokyo, Japan on 13 May**

First of all, please allow me to say what a pleasure it is to be here at this important Asia Society Conference on 'Asia and the Changing World Order'.

Asia is of course a very large place. It is where half of mankind lives. It is not a homogeneous entity, but a composite of several continents. And because of that Asia will remain a mere geographical expression. It is not and will not be a political or an economic entity. It will continue to have serious contradictions and on many issues it will be divided and at odds with itself.

At the same time, I believe that in the years ahead Asia, especially East Asia, will also find many areas of common concern, many areas of common purpose, and many areas of common action.

#### **Areas of Common Concern**

Already, we have seen some very interesting developments. In Western Asia, the Economic Cooperation Organisation (ECO) has been launched. In southern Asia, the South Asian Association of Regional Cooperation (SAARC) has recently had something of a breakthrough on trade. Southeast Asia is in many ways rapidly coming together. In some key areas, Pacific Asia or East Asia has been the fastest integrating region in the world.

We have for example achieved a level of trade integration equal to that of the NAFTA area, in percentage terms, and equal to the level of the European Community, if we take into account the different sizes of the EC and the East Asian GNPs.

Our economic integration is a clear example of market-driven open regionalism. Our achievements are the fruits of market-driven open regionalism. We have much more to harvest from our market-driven open regionalism. In the years and decades ahead, I am sure that our comprehensive economic integration will continue to be driven by market regionalism. We will, I am sure, continue to welcome the other great economic players of the world in the process of enriching our market-driven open regionalism. Indeed, we must welcome all nations to join us in the making of our great market-driven East Asian regionalism.

#### **Better Future**

If you think I am an optimist about the future of this part of the world, you are right. I believe that in the years ahead, there will be further dramatic developments. East Asia, which has been the home of so many of the economic miracles of the 20th century, will continue to be the home of many of the economic miracles of the 21st century.

The strategic condition and environment of this part of the world is better now than at any time before. The strategic configuration of forces in East Asia is better now than it has been in the last century and a half.

The greatest civilisations began in Asia. For almost three millennium, Eastern, Central and West Asian civilisations dominated the world. Then came the usual decline, followed by the ascendancy of Europe.

In the last several hundred years, Europe, and later, the North Atlantic community was the centre of the world. Asians gained and suffered from decisions and events made elsewhere. We were practically never 'the cause', almost always 'the consequence'. We in Asia were the periphery. We in East Asia were so much on the periphery that we were called and we even called ourselves 'the Far East'.

We may not again be the centre of the world. But at least we should be the centre of our world. We must commit ourselves to ensuring that the history of East Asia will be made in East Asia, for East Asia and by East Asians.

Having said a few words on the general theme of this conference, let me turn to my allocated task, which is to talk on the subject 'World Trade: GATT, Groups and Growth'. Let me put forward a few thoughts.

#### Growth Crisis

First, I am deeply concerned about the third 'G' growth. Whether we realise it or not, the world is already in a growth crisis.

If the world does not do what must be done, the 1990s will see a prolonged growth crisis. I do not see the coming of a second great depression. But the prospects of prolonged anaemic growth are very real indeed.

The consequences will be profound and global. Many of the political, economic and social advances of the last few decades could be wiped out.

Second, I am deeply concerned about the future of the open, multilateral trading system.

Again, I do not see a re-run of the 1930s. We cannot be that stupid. But if we do not do what must be done, the 1990s will definitely see a fundamental transformation in the world trading system away from that which had been so effective in rebuilding the world after the devastation of the Second World war. A new World will indeed emerge - which none of us will like.

Third, I am deeply concerned about 'G' 'A' 'T' 'T' being laughed off as merely a 'general agreement to talk and talk'. I am profoundly worried about the fate of the Uruguay Round. I am deeply perturbed by the prospect of much more protectionism and of much more managed trade.

Fourth, I am deeply concerned about the rise of inward-looking economic groupings and closed regionalism.

Unfortunately, the present growth crisis is a feature of all the three worlds, what used to be called the 'Third world', the 'Second World' and the 'First World'.

In the 1980s, two out of three developing countries suffered a fall in their per capita incomes. In more than half of these countries, the decline was more than 10 per cent; and in two out of five, the collapse exceeded 20 per cent.

While this collapse in most of the developing world is without precedent in post-war history, the magnitude of the 'catastroika' in Russia and Eastern Europe over the last three years is without precedent in the recorded economic history of mankind. Their output today is 30 per cent lower than three years ago. No economy or group of economies came close to experiencing such a catastrophic collapse, even in the period of the Great Depression. And all these because they were made to believe that democracy plus market economy equals peace and prosperity.

## Economic Crisis

Unfortunately, the growth crisis has a third component: the growth crisis of the developed world. This is by far the most consequential for the world as a whole.

Japan is now in deep trouble. But the real economic crisis of the developed nations that the whole world has to grievously worry about lies in Europe and North America.

There may now be disagreement only about whether there is an albatross or an elephant around the neck of the great German economy. The United States has structural problems which are of the most intractable and fundamental kind.

Much of these problems is due to an unwillingness to face facts. And the facts are that you cannot live beyond your means.

After three abysmal years, the latest revised IMF projections for the OECD are for something between half a per cent and two per cent growth in 1993.

The present and near term problems of the developed countries have to be seen in the context of a long-term structural decline in dynamism. The industrial world grew by an average 5 per cent in the 1960s, by an average of only 3.1 per cent in the 1970s, and by an average of only 2.7 per cent in the 1980s. We can hope that in the 1990s economic history will change direction. But we cannot count on it.

A second thing to worry about -- because it too may be a longer-term phenomenon accompanying us to the edge of the 21st century and beyond -- is the present crisis of the multilateral world trading system. This crisis too is pervasive, multi-dimensional and deeply rooted.

The most worrying thing about world trade is the long-term trend. In the 1960s, world trade grew by an annual average of 8 per cent. In the 1970s, this had fallen to 6.2 per cent. If history will travel in a straight line, we should expect an average world trade growth of two to three per cent in the 1990s. If this were to happen, the consequences would be devastating. We will be in terra nullis, uncharted territory.

There are other things to worry about. The Uruguay Round remains in gridlock, held hostage by a few farmers and the political interest of their candidates.

The other members of GATT, some of whose very lives depend on the result, are essentially spectators, very often not quite able to really comprehend the game, still less to influence its outcome.

## Trade Protectionism and Sanctions

Health, environmental and safety standards have become standard instruments in the trade armory. Friends can talk without embarrassment about trade sanctions against each other. Import targeting will increasingly be used by the strong against the weak. Mr Miyazawa says that it is not acceptable for countries to have to tell their companies how much of what they should buy from what countries. Yet managed trade has advanced and there are now respectable western scholars who even advocate it as a legitimate model for the conduct of future world trade. There are politicians who openly advocate it without blushing with shame.

The multilateral, open global trading system is today in deep crisis. Multilateralism is under serious threat from 'blocism', from unilateralism, from bilateralism and from 'minilateralism', i.e. exclusive deals between a select group of countries.

It is clear to me that the number one, the most urgent, task for global economic statesmanship today is to successful conclusion of the Uruguay Round.

President Clinton recently stated that whilst the developing world has been reducing their levels of protectionism in recent years, 20 out of the 24 developed OECD countries have been substantially increasing their levels of protection. If the Uruguay Round fails, what we have seen so far will be child's play.

We can probably wave goodbye to the global trading system that we have known since the Second World War, which has yielded so much to every part of the world, without which the miracles of East Asia could not have taken place, and without which the future miracles of East Asia cannot come to pass.

#### Trade Pact

It should be noted that the conclusion of every GATT Round in the past has resulted in productivity gains, employment gains, growth gains in every part of the world, especially in those countries which are most dependent for their survival on trading with the world.

The gains from a speedy conclusion of the Uruguay Round now are hard to quantify in exact terms. For what it is worth, one study by the OECD forecasts that the successful conclusion of the Uruguay Round would add one per cent to global growth -- in a situation where global growth needs all the help that it can get.

Let me now turn to the last 'G' in the title of this session -- 'Group'. I presume the inclusion of this 'G' is to open the window of discussion to the rise of regional trade groupings and to the general topic of regionalism.

#### Opposition To Regionalism

Let me state at the outset that I recognise that economic regionalism, and even political regionalism, like globalisation, is a process that cannot be stopped. Neither is inherently good or bad. What is important is to distinguish between what is productive and what is not.

What we should fear and oppose is globalisation that is purely exploitative, bereft of conscience, morality and good corporate citizenship. What we should fear and oppose is regionalism that is closed and inward-looking, regionalism whose intent is not to contribute to the liberalisation of world trade and economic cooperation, not to raise national productivity and competitiveness, but to protect the inefficient, to raise the draw-bridge, to retreat into the fortress and to man the battlements.

I am a Malaysian nationalist. For this I offer no apologies. I am also an Aseanist. I am deeply committed to ASEAN, which has played such a critical role in turning what was an area of turmoil, antagonism, conflict -- sometimes violent conflict -- an area with no history of cooperation whatsoever into a zone of cooperative peace and prosperity.

I am also a believer, among other things, in South-South Cooperation, in the G-15, in the OIC, in the Commonwealth, in a Southeast Asian community of peace and shared development, in enriching and strengthening Pacific interdependence and cooperation and in a new and a better world order.

For all these commitments and beliefs, I do not apologise. I also do not apologise for my hopes for, and commitment to, East Asia.

## ASEAN

A quarter of a century ago, when we in ASEAN took the bold and no doubt 'foolhardy' step for cooperative peace and prosperity in Southeast Asia, who could have expected what we have been able to achieve? That act of regional statesmanship -- the establishment of ASEAN -- was the result of regional decision-making on the part of countries which were intent on greater regional self-determination and empowerment.

Over the years, ASEAN has been developed as a result of indigenous statesmanship, uninspired by any extra-regional exhortation, unguided by any extra-regional power, uncontrolled by any extra-regional force.

ASEAN has consistently been inspired by hopes that came from within the region. ASEAN was at every step jointly and democratically guided by all the members of ASEAN, working on the basis of regional consensus. ASEAN has been controlled entirely by the partners of this egalitarian regional joint venture. There was never a hub from which extended the spokes. There was never a dominant partner, although on specific issues a member country may have played a more prominent role or the interest of a particular member may have been given greater emphasis.

Leadership may mean other things elsewhere. It may mean domination, hegemony, imperialism. In ASEAN, we have established a Pax without an Imperium, a Peace without a protector. 'Leadership' in ASEAN has most often meant leadership in sensitivity and consideration for others, in wisdom, in effort, in responsibility and in sacrifice not leadership in dictating decisions and reaping benefits.

It is in this context that I call on Japan, China and the other great nations of East Asia to provide leadership.

We of the ASEAN community cannot but be influenced by the experience of the last generation and by the history of ASEAN.

### Hopes and Aspiration

I believe that it is now time for all of East Asia to launch a process on top of and over all the other important processes which are already in place -- a process whose final destination is a zone of cooperative peace and prosperity stretching from Jakarta to Tokyo.

There are those who say that "if it ain't broke, don't fix it". Most of us in East Asia believe in the 'kaizen' principle: that improvement should come not with one great leap but by continuous little steps. We have a legitimate right to want our region to be a zone of sustained cooperative peace and prosperity, living in productive harmony. If this will take a hundred years, the sooner we start the better. And it is best to start in the most propitious of circumstances.

I have argued that the strategic circumstances of East Asia are better now than at any time in the last century and a half. Peace is best made when there is peace. It is too late to wait until it has broken down. Prosperity is best striven for when there is prosperity. It is too late when nations have their backs to the wall. And we must make our East Asian peace and prosperity together. And together make hay while the sun shines. We should not do when the thunder-clouds are in the sky. We cannot do when it has started to rain and pour.

We must begin on our long journey with small, pragmatic and productive steps. And we must expect our friends in other parts of the world to understand our aspirations, even as they give us the advice that we need and the help that we require.

I hope, I may be forgiven for harbouring long-term

hopes for East Asia. I believe that the immediate need is for East Asia to do two things. First, to take advantage of the regional synergies and opportunities for cooperation in order to maximise the short, medium and long-term mutual economic advancement of the region. Second, to build a productive coalition for the success of the Uruguay Round, for the sustenance of the open multilateral global trading system and for other non-trade goal that are productive of regional and global economic interests.

## EAEC

I would also like to take this opportunity to touch on Malaysia's proposal for an East Asia Economic Group. From the very beginning, the proposal was misunderstood as an attempt to create an inward-looking trading bloc. Let me put the record straight once again.

In proposing the East Asia Economic Group we are not only not proposing a closed, inward-looking trading bloc for East Asia but we are not even proposing any kind of trading bloc for East Asia.

We are not advocating a preferential trading arrangement, or a free trade area, or a customs union, or a common market or an economic union for East Asia.

What we wish to see is the establishment of a loose consultative forum for the economies of the region. This forum should have both a regional agenda and an extra-regional agenda.

In pursuit of the internal regional agenda, the economies of East Asia should meet regularly at the ministerial level to discuss how we can enrich our regional economic cooperation for our mutual economic benefit in the short, medium and long term. In pursuit of the external extra-regional agenda, we should discuss how we can act in concert to enhance the chances

for the success of the Uruguay Round, the perpetuation of the open global trading system, and other global public good.

We are not particular about the name for this process. When Indonesia proposed a change from East Asia Economic Group to East Asia Economic Caucus, Malaysia saw absolutely no problem. We initially chose the Group because of our acquaintanceship with the Cairns Group, which as you know, is the group of agricultural exporters who have played a most substantial role in the Uruguay Round. Indeed, when I first wrote to all the Heads of Government in ASEAN setting out our proposal, I specifically referred to the establishment of an East Asia Economic Group 'a la the Cairns Group'.

The Singapore Declaration issued at the end of the last ASEAN Summit held in Singapore in January last year stated: "With regard to an EAEC, Asean recognises that consultations on issues of common concern among East Asian economies, as and when the need arises, could contribute to expanding cooperation among the region's economies, and the promotion of an open and free global trading system."

## Modalities of EAEC

ASEAN is now working out the details and the modalities. The EAEC proposal is now entirely in the hands of ASEAN. ASEAN will have to decide on what form the EAEC will take. As you know, ASEAN decides by consensus. Malaysia is only one of six members.

For what it is worth, let me set out what I think should be the design parameters for the EAEC -- design parameters which probably will be equally relevant to whatever other East Asian economic cooperation process is undertaken in the years ahead:

First, we should be concerned with both a regional and an extra-regional agenda.

Second, with regard to both the internal and external dimensions, although trade is crucially important, we should not be confined to trade. In East Asia especially, there is also much that can be done with regard to optimising joint development zones, investment, technology, tourism, even labour, flows. The areas for cooperation -- from privatisation to infrastructure development -- are to many to enumerate.

Third, on matters related to world trade, we must be champions of free and fair trade. We must champion the cause of global trade liberalisation, of multilateralism, of an open global trading system, of the Uruguay Round and of GATT and its spirit, principles, rules and regulations. Fortunately, because we are amongst the most dependent on foreign trade in the world today and because we are so competitive that we will do very well within any fair and free global trading system, the position advocated is the natural one for us in East Asia to take.

Fourth, we must champion the cause of open regionalism. If we agree to do something on regional trade, we must ensure that no new or higher measure of protection and discrimination should be introduced against those outside East Asia. The present levels of real protection and discrimination should be pressed down even lower. No economy should ever be required to raise its levels of protection and discrimination to some higher common, regional level.

We must be inward-looking. All our economies should continue to be strongly outward-oriented. The whole world must be our marketplace. Our own regional market must be increasingly open to others. We must continue to liberalise.

I believe very strongly in attracting foreign investment from every corner of the globe, and the inflow of technology, know-how, entrepreneurship and modern management form the widest and richest possible range of sources. Otherwise, we will only be hurting ourselves.

Fifth, we should aspire to be a model for true North-South cooperation.

Sixth, we must seek to contribute to a sense of security and well being on the part of all the economies of East Asia.

Seventh, whatever schemes of cooperation we embark upon must be founded upon the principles of mutual benefit, mutual respect, egalitarianism, consensus and democracy. Each one of these principles is basic.

### Open Concept

At the same time that we pursue these ends, we should ensure that we are not confrontationist, that we are not bullied and intimidated, that we do not damage ASEAN, APEC, the South Pacific Forum and other established processes, that we do not allow others to divide the Pacific, ASEAN or East Asia, and that we are not cowed from speaking out against racism, exclusivism and attempts to create closed trading blocs.

It is fundamental that we should not shut others out of the region. This will be such a stupid thing to do that those who accuse us of wanting to do this must be somewhat feeble of mind. Or, they must think that we are feeble-minded. Instead, for our own national and regional interests, we must seek the fullest engagement of all the best companies and all the most important economies of the world within our region.

Let me end as I began, on the wider theme of Asian in a changing world order.

The Asia of today is no longer the Asia of the past. We must be accorded our rightful place in a world that has already changed.

We have a dynamic present to traverse and a dynamic future to make. This is a journey we cannot make alone. Asia should eagerly extend the hand of friendship and cooperation to all nations, regions and continents which are willing to work with us in true partnership.

## ***17TH SESSION OF THE GOVERNING COUNCIL OF THE UNEP***

**Statement by the Minister of Science, Technology and Environment, Datuk Law Hieng Ding  
at the Session in Nairobi on 18 May**

At the outset allow me to congratulate you on your election as President of this session of the Governing Council of UNEP. Our congratulations also go to the other members of the Bureau. I would also like to take this opportunity to congratulate Ms Elizabeth Dowdeswell on her appointment as the Executive Director of UNEP and of her important statement made yesterday.

We consider this session as an important one because it is the first UNEP meeting after the United Nations Conference on Environment and Development in Rio. A number of important decisions were taken in Rio which would require UNEP to play a more effective role in the field of environment and development. UNEP should therefore take this as a challenge and rise to the expectations of the international community in fulfilling the objectives of UNCED.

### **National Coordination**

We in Malaysia take our commitments seriously. To this effect we have initiated appropriate national coordination to identify our best response to the Rio decisions. Indeed, we were among the first few countries to have organised a National Seminar on UNCED, follow-up action involving government, private sector, academia and NGOs, barely two months after Rio.

Malaysia has long recognised the importance of sustainable development and we have incorporated this concept in our development programmes since our

Third Malaysia Plan in 1976. This shows that Malaysia's interests and concern with the subject of environment and development is not of a recent vintage, nor merely in response to some external concerns.

### **Rio Commitments**

Chapter 38 of Agenda 21 has clearly spelt out the role of UNEP in implementing the relevant decisions and recommendations of UNCED. The enhanced and strengthened role of UNEP envisioned in Agenda 21 requires UNEP to chart a new course of action that could fulfill the commitments made in Rio. Thus our gathering today with Ministerial participation reflect the commitments and expectations of members states in the work of UNEP during the post Rio period.

However, looking at the proposed programme of activities for the 1994-95 biennium, I fail to see any significant reorientation of the activities in line with Rio commitments. Despite the fact that almost a year has passed since Rio, UNEP while outlining plans to implement Agenda 21 has not provided a detailed programme structure and full costing for the implementation of Agenda 21. The biennium work programme tabled for discussion is on the basis of traditional work programme of UNEP with a much reduced funding level. We have the impression that it is back to business as usual, as though UNCED had never taken place.

### Appropriate Issues

There is also a preponderance of activities on global environmental concerns such as the protection of the atmosphere, oceans, monitoring and assessment of natural resources. Global environmental issues are important and global concerns are relevant, but they must not be allowed to distract attention from even more pressing issues that exist today in the developing world. Care must be taken to ensure that action directed at addressing global environmental degradation does not jeopardise the abilities of developing countries to address issues of development.

In this respect, UNEP's scarce resources should be channeled towards addressing the immediate needs of developing countries. We fully support the priority areas proposed by the Group of 77 and China as reflected in document L9. The proposed focus on global environmental problems by the secretariat clearly leaves the impression that UNEP is being used as a conduit by the developed countries to channel their funds for their own interests. Is this the type of new North-South partnership we all have been talking about?

### Partial Interest

We also notice the emphasis on monitoring and assessment activities. We fully agree with the importance of such activities but we deplore the tendency to undertake 'external' monitoring. Why are there no corresponding programmes to build up national capacities to undertake country-driven monitoring activities? UNCED has clearly demonstrated that sustainable life-style is an important ingredient in promoting sustainable development. As such, why are there no UNEP projects on monitoring these unsustainable lifestyles which continue to degrade the environment?

My delegation wishes to express our disappoint-

ment and regret at the level of resources available in the Environment Fund. The amount available certainly fall short of the commitments made at Rio. I wish to stress that without the necessary means of implementation for Agenda 21, such as, financial resources, technology transfer, capacity building and human resources development, Agenda 21 would be meaningless. Indeed, the amount of money available in the Environment Fund so far represented a retreat from the indication of additional support to UNEP given at UNCED, and a retreat from the target for contributions one hundred million US dollars by 1992 which was approved by this Council at its fifteenth session in 1989. My delegation is very concerned over this development and we wish to appeal and call upon all governments, particularly developed countries to contribute to, or increase their contributions to the fund in order to enable UNEP to implement its programmes.

### Financial Management

We are also concerned about the proliferation of trust funds which to date total around 46. Attempts to merge some of them have failed. Indeed donors seem to prefer to contribute through the trust funds and counterpart funding rather than in the Environment Fund. While it is encouraging that the volume of counterpart contribution is growing, this trend is certainly at the expense of the growth in contributions to the Environment Fund.

On the Global Environment Facility, my delegation believes that UNEP has an important role to play as equal partners with the World Bank and UNDP in administering GEF. This is particularly so in relation to the Scientific and Technical Advisory Panel (STAP). We wish to see more transparency in the selection of the panel members of STAP. We are of the view that the present structure of GEF is severely limited in scope and size and is clearly inadequate for the task at hand. If the

GEF is to be utilized as one of the funding mechanisms available for the implementation of Agenda 21 and other decisions of UNCED, it will need to be properly restructured and modified. Malaysia is participating actively together with other developing countries to ensure that the restructured GEF will be in accordance with the decisions of Chapter 33 of Agenda 21. If the GEF is to be the funding mechanism for the Convention on Climate Change and Biodiversity on an interim basis, it is essential that GEF fulfills the requirements set by the Conventions. We hope that the restructuring exercise of GEF could be completed by the end of this year.

On the proposed enhanced activities to further develop international legal instruments, it is our considered view that with its wide experience, UNEP is also in a good position to review and recommend revision of obsolete environmental conventions which are no more adequate to cope with the increased development activities, particularly in the field of protection of the marine environment.

### **Environmental Issue**

The most pressing global environmental problems are those caused by the rich. Large tracts of land in the industrialised countries lie denuded of natural vegetative cover, poisoned by fertilisers and pesticide, water courses saturated with toxic chemicals and wastes, and the air fouled by gaseous pollutants and particulate. Industrialised nations are by far the principal contributors to the emission of greenhouse gases and ozone depleting substances, but only recently have the battle to save their environment been engaged in earnest. The influence exerted by the industrialised countries extend far beyond their borders. Pressure, indirectly exerted through economic and trade systems, often forces the less fortunate to deplete their natural and environmental stock to the detriment of local and global environ-

ment. A solution which transfers environmental problem from the rich to the poor is no solution at all. Arriving at an equitable resolution of the complex tension between rich and poor is the true challenge facing the world community today.

In an increasingly interdependent world, faced with an issue that recognises no boundaries nor man-made barriers, global partnership is the key to addressing the common concern of all humankind. Such a global partnership is outlined in Agenda 21, which provides the comprehensive approach for inter-state relations in the 21st century. Within this context, the developed countries who are the major polluters, both in current and historical terms, must practise sustainable development, adopt sustainable life-styles, provide new and additional financial resources and facilitate the flow and transfer of environmentally sound technologies to the developing countries.

### **Depletion of Forest**

For those who continue to harp on a Forest Convention, it is clear to us, that they prefer to ignore the views expressed in Rio at the highest level. Instead of seeking to control the forests in the South, they should intensify their national efforts on reforestation and afforestation, and stop immediately the clear-cutting of their old growth forests, as well as prepared national forestry action programmes. UNEP should assess the loss of biodiversity in deforestation in the temperate and boreal forests, and the threat to biodiversity in extensive mono-culture forests in the North, which provide 80% of the timber in the international timber trade. UNEP should also monitor and assess the damage caused by acid rain which affect 40% of the forests in Europe.

### **Sea Pollution**

One particular area of concern to Malaysia is the

impact of expanding economic activities which results in increased sea traffic through sensitive marine areas. The Straits of Malacca is a classic example, where operational as well as accidental discharges from ships are causing rising level of pollution. UNEP certainly could play its role through its monitoring and assessment activities as well as East Asia Sea programme to initiate monitoring, surveillance and control.

Over a period of two decades, UNEP has achieved much and the results are there for all to see. While I urge all members of the council to be visionary, I wish to pay

tribute to Dr Tolba, the previous Executive Director, for his tireless effort and his able leadership. His architectural role is recognised. My delegation also wishes to express our sincere gratitude to all the staff of UNEP for their contributions and urges them to keep up their good work.

In conclusion, I must underline that environmental protection, economic growth and sustainable development involve all of us, from the local to the international level. The Rio Summit represents the starting point for a new era of international relations based on fairness and equity with the strong helping the weak. It now remains for UNEP to realise this goal.

## ***26th INTERNATIONAL GENERAL MEETING OF THE PACIFIC BASIN ECONOMIC COUNCIL***

**Speech by the Prime Minister at the Leaders Forum in Seoul, South Korea on 24 May**

### **OPEN REGIONALISM -- A NEW BASIC FOR GLOBALISM? AN EAST ASIAN PERSPECTIVE**

Let me begin by thanking the Pacific Basin Economic Council and the Korea PBBC Committee for giving me this opportunity to be with you today.

Politicians very often have an over-inflated view of what they are and what they do. After many years in government, I know for a fact that you and your colleagues throughout the Pacific Basin have been the primary engineers and builders of the Pacific prosperity that we have seen.

#### **An Open Pacific**

You and your colleagues of the private sector, not those who strut the stage of world politics, will also be the primary engineers and builders of the Pacific prosperity of the future. For this Pacific prosperity to be guaranteed, the Pacific must always remain open.

Unless we shoot ourselves in the foot, our Pacific economy will be substantially more than two and a half times the size of western Europe by the year 2020. This will not mean that much if the Pacific is divided into closed blocs. Therefore it is crucially important to ensure an open Pacific -- and for that matter, an open East Asia.

Before I argue about the necessity to fight for open regionalism, not only in our part of the world but also in every part of the world, allow me to outline some basic facts.

#### **Globalism**

First, the premise of the theme of this meeting is absolutely correct. Our objective must be globalism. In the context of trade, open globalism must be the first and the best choice. The entire world should be a single market place, a single trading bloc with as few obstacles and distortions as possible to the freest exchange of goods and services. Free trade, like democracy, is full of imperfections. But free trade, like democracy, is by far the best model. Free trade will ensure the greatest economic good for the greatest number of people.

The message of the market place is being preached to the emerging market economies in every corner of the globe. Market economies makes sense within the domestic economic system. Market economies makes sense also within the global economic system. The command economy makes nonsense within the domestic economic system. The command economy also makes nonsense within the global economic system. It would be a great travesty if we preach the virtues of open competition and the open market place and then act to ensure trade on the basis of closed markets and political commands and managed trade.

## Economic Regionalism

A second fundamental reality; even as we recognise that regional trading blocs can at the most only be the second best option, we all have to accept the fact that whether we like it or not, economic regionalism is not going to go away. Indeed, the tide of economic and especially trade regionalism will advance, not retreat.

In the post-war period, more than 55 regional markets or trade arrangements have been submitted to the GATT for its notice and examination. In every area of the world, a regional trading arrangement or bloc has been attempted or is very much already in place. The only major area in the entire world where it has never been seriously tried is Northeast Asia.

All the members of APEC (except for those in Northeast Asia) are already involved in one trading bloc or more: the United States in the United States-Israel Pact, the Caribbean Basin Initiative, the United States-Canada Free Trade Agreement (and now NAFTA), all of which do not include the APEC economies outside Northern America. Canada is involved in the last two.

Australia and New Zealand in fact pioneered the trade bloc business in the Pacific. As long ago as 1965, they signed the "New Zealand-Australia Free Trade Agreement". These two economies upgraded their "NAFTA" into a more effective "Australia-New Zealand Closer Economic Relations Trade Agreement" or "ANZCERTA" in 1983. Both countries are also the mainstay of the South Pacific Forum. Again, both ANZCERTA and the South Pacific Forum do not include APEC members outside Australasia or the South Pacific, although no one accused these countries of trying to be exclusive.

In the western Pacific, the Association of Southeast

Asian Nations (ASEAN) started life as a loose consultative forum in 1967. However from January this year, it phased in AFTA, the "Asean Free Trade Area", a process intended to create a virtually free trade area over a wide range of goods by the year 2008. Again, no APEC member outside Southeast Asia is a member of ASEAN, although ASEAN already has a loose consultative forum -- called "the PMC process" which involves the United States, Australia, New Zealand, Canada, South Korea and Japan (and China and Russia as guests) -- long before APEC was formed.

## Global Liberation

Trade blocs are by definition groupings which have a common set of market access conditions among member economies which are not accorded to those outside the "bloc". Given that trade blocs are not going to go away and look set to proliferate, I believe that what global statesmanship must ensure is that as many trade blocs as possible will be as open as possible and will contribute to global liberation rather than global protectionism. We must fight for "open regionalism".

No doubt, we are all going to have a great time discussing and disagreeing about the meaning of "open regionalism". Your sister institution, the Pacific Economic Cooperation Council (PECC) last year adopted the San Francisco Declaration on Open Regionalism. PECC has pledged to become a movement for "open regionalism". The theme of this very PECC meeting is "open regionalism". Now all we have to do is agree on what "open regionalism" means.

## "Open Regionalism"

In my view, there is open regionalism if the participants in a regional enterprise:

- (1) go into it with the purpose of liberalising the

conditions for economic intercourse between its members,

- (2) if they launch the regional enterprise without desiring to raise drawbridges and to man the battlements, and
- (3) if they have the intent of reducing the barriers to economies outside the region.

This is no doubt a rigorous test. Most of the 55 post-war trade regionalism schemes I have mentioned fail the test because most may have passed the first condition, many may have passed the second but almost all failed the third. "Project 1992", the creation of a full economic union by the European Community, certainly did not have the intention of reducing the barriers to economies outside the European Community.

For any regional enterprise to be an example of open regionalism, therefore, I believe it is necessary for the involved parties to have the intent of opening up their region to the outside world. This may not be the primary intent. But the intent must be there.

To qualify as open regionalism, in my view, it is even more important to pass the test of result or outcome. Open regionalism exists in fact only if:

- (1) there is actual internal trade liberalisation, and if
- (2) the barriers to outside economies are actually reduced.

Intent without outcome is not sufficient.

### Protectionism

If any regional enterprise fulfils these requirements, there is no need for the question mark behind

your question: "Open Regionalism -- a New Basis for Globalism?" Open regionalism will indeed be a great contributor to the open global trading system that we want and that we must all fight for.

We have had more than 20 years of creeping protectionism. President Clinton has himself stated that whilst the developing countries have been reducing their protective walls, 20 out of the 24 countries of the OECD have been raising protective barriers. Voluntary export restraints are now negotiated as a matter of course. Trade sanctions are openly talked about between countries which call themselves friends. Politicians can without shame ask other nations to buy so much of this and that ... or else. Respected economists can come out and advocate managed trade as a legitimate way for the conduct of future world trade. Increasingly, health, the environment and even human rights are part of the trade armory of nations. And in so many areas, leaders talk of open regionalism when what they want is to man the barricades, to keep others out.

The old champions and makers of the multilateral, open global trading system are no longer there. The world needs new champions and makers of such a free trading system. This is one central reason why Malaysia advocates the formation of an East Asian grouping, or EAEC -- so that we can be a coalition, building the necessary regional organ to strive for the success of the Uruguay Round and for the type of open global trading system that we have had since Bretton Woods. This open global trading system has allowed us to become what we are today. On this open global trading system much of our future depends.

For us in East Asia, this is truly a matter of life and death. Yet, we are mere bystanders as our friends cynically quarrel over what seems to be literally peanuts. What they do or do not do will determine our future. Should we not seek to empower ourselves so that

we can fight for our national and regional interests and for the good of the entire world?

### East Asian Regionalism

Our proposal for East Asian economic cooperation is also propelled by the desire to ensure that East Asian regionalism develops in the most productive way possible, in a way that is most productive for all the economies of the region, without forgetting our friends who are geographically located outside East Asia.

Whether we like it or not, whether we want it or not, East Asian economic interdependence and integration is taking place at a ferocious pace now and is going to continue at the same pace.

East Asian economic integration, unlike integration in Europe and elsewhere, is completely market and business driven. And I believe that the future economic integration of East Asia should remain market and business driven. I also believe that governments should lend a helping hand. We should sit down together now and again to talk about what is happening, and if possible, accentuate the positive and try to do something about the negative.

Obviously we must work on the basis of mutual benefit, mutual respect, egalitarianism, consensus and democracy. We must ensure that all of us in East Asia feel secure and that our friends elsewhere do not feel threatened. We should further free the productive forces of enterprise.

### Economic Interdependency

At the same time we should also cooperate to

champion global trade liberalisation, the Uruguay Round and GATT. And we should ensure that what is already inevitable -- East Asian economic interdependence, integration and cooperation -- will be an example to the world of open regionalism.

I do not think this is very difficult because all these things are very much in our national and regional interest. It is also very much in our interest that we secure the foreign direct investment, portfolio and capital flows, technology, know-how, entrepreneurship and modern management that we need from every corner of the world.

I do not want an open East Asia. I must say I prefer a very open East Asia. Such a very open East Asian economic cooperation will most definitely be a contribution to an open world, to the globalism that we can all be proud of. The EAEC will help bring about this very open East Asia. The vibrance and dynamism of this region should benefit not just the region, but the world as well.

The East Asian countries have proven their ability to accept and adjust to new systems and to benefit from them. We admit that in many fields the West have the lead, but East Asia is not without the wisdom which can shape the New World Order. To keep the East Asians from contributing to the new philosophies and systems because of unwarranted fear is to deprive the world from the vast store of knowledge and skills that the East Asians have accumulated in the process of their rapid development. So do not prevent us from coming together for we can contribute to the globalisation process. No one will lose. The world can only gain from the formation of the open East Asia Economic Grouping.

## ***SEMINAR ON "BUSINESS OPPORTUNITIES IN MALAYSIA"***

**Keynote Address by the Minister of International Trade & Industry, Dato' Seri Rafidah Aziz  
at the Seminar in Taipei, Taiwan on 27 May**

Let me first of all bid you a warm welcome to this seminar on "Business Opportunities in Malaysia". May I, at the outset, express my thanks to Mr KC Wang (Chairman of the Malaysian Committee, The Chinese National Association of Industry and Commerce) for graciously consenting to chair the seminar and to Mr Theodore M H Huang (Chairman of TECO Electrical and Machinery Co Ltd) for agreeing to be our guest speaker today.

I hope that at the end of today's seminar, you will have a better understanding of our investment and trade policies that we have put in place to encourage trade and investment into Malaysia. I will also take this opportunity to up-date you on some important issues which could be of special interest to you. Today's session with you is of particular importance to me, considering that Taiwan is an important capital and technology exporting country.

Investment from Taiwan in Malaysia used to be quite insignificant. But of late, particularly during the last 5 years, it had registered very sharp increases. In 1990 and 1991 it overtook Japan as the biggest foreign investor in Malaysia's manufacturing sector. In 1992 it accounted for US 576.9 million (RM 1.5 billion\*), out of the total approved investment of US\$ 10.7 billion (RM 27.8 billion).

\* Exchange Rate : US\$ 1 = MR. 2.6

### **A Popular Choice**

Malaysia has become a popular choice for many Taiwanese investors as the location for their overseas projects. According to the Ministry of Economic Affairs, Taiwan, Malaysia has recently become Taiwan's most favoured investment and manufacturing base in the Asean region. For instance, Taiwan's investment in Thailand, which used to be looked upon quite favourably, has been decreasing, from US \$ 859.94 million in 1988 to US \$ 583.46 million in 1991 and to US \$ 289.92 million in 1992. On the other hand, its investment in Malaysia has been substantial, increasing from US \$ 313.0 million in 1988 to US\$ 1,314.2 million in 1991 and in 1992 it amounted to US\$ 602.0 million. Malaysia still ranks as number one in terms of Taiwanese investment in the Asean countries.

Investors' confidence in Malaysia is reflected by the growing investment commitments in manufacturing projects, which increased from US\$ 3.5 billion (MR 9.1 billion) in 1988 to US\$ 12.2 billion (RM 31.8 billion) in 1991. Last year, investments dropped slightly to US\$ 10.7 billion (RM 27.8 billion). This apparently waning interest, however, is by no means a reflection on the investment climate in the country. The depressed economies of the industrialised countries and the general global shortage of capital have resulted in less investments being undertaken and Taiwanese investments have likewise declined in all the other Asean

countries as well. For the first four months of this year, the Government had approved 181 manufacturing projects, with capital investments of US\$ 1.0 billion (RM 2.6 billion) of which US\$ 576.9 million (RM 1.5 billion) or 57.7% are from foreign sources. Taiwanese investment totalled US\$ 34.3 million (RM 89.1 million)

### High Growth Rates

Foreign Direct Investment (FDI) has contributed to the high rates of growth achieved by Malaysia over the past twenty years. Between 1970 and 1990, our economy grew at an average rate of 6.7% per annum. However, in recent years, that is between 1988 and 1992, our real Gross Domestic Product (GDP) averaged nearly 9.0% per annum. Out-performing all the Asean countries and the Asian Newly Industrialised Economies (NIEs) in terms of real growth last year, the Malaysian economy looks set to maintain growth at a creditable 7.6% this year. Rapid industrialisation of the country has led to an increasing share of the manufacturing sector's contribution to GDP. The sector's contribution which was only 19.6% in 1980 had risen steadily to 28.8% in 1992. This year, the sector's contribution is expected to strengthen further to nearly 30%.

### Investment Location

Malaysia thus is an attractive investment location. I am convinced that the upsurge of investment from Taiwan in Malaysia and the popularity of Malaysia as an investment location could be due to certain pull factors which we have and these would include:-

- (i) Continuing political stability,
- (ii) Sound macro-economic policies, and
- (iii) Conducive investment environment.

These factors have been important in attracting investments into Malaysia. By locating in Malaysia, investors will be able to remain competitive especially in export-oriented industries. Malaysia has the advantages of lower costs of land, construction and production. Testimony to this lies in the following:-

- \* According to the World Bank, Malaysia in 1992 was the third largest recipient of foreign direct investment, after Mexico and China. Malaysia attracted US\$ 3.6 billion or close to 10% of the total FDI of US\$ 38.1 billion.
- \* According to the World Competitiveness Report 1992, Malaysia ranked fourth in international competitiveness after Singapore, Taiwan and Hong Kong. It was also ranked high for providing a "highly conducive business environment".
- \* The General Agreement on Tariffs and Trade (GATT) ranked Malaysia the world's 23rd largest exporter last year as compared to a ranking of 40 in 1980. In 1992, Malaysia's exports were valued at US\$ 40 billion and this accounted for 1% of total global exports. Likewise, in the case of imports, Malaysia was ranked the world's 22nd largest importer, importing US\$ 39 billion worth of goods. This represented 2% of the total world merchandise imports.

### Trade Relations

The signing of the Investment Guarantee Agreement (IGA) between our two countries on 18th February this year, marked another milestone in the economic and industrial cooperation between our two countries. The main objective of the accord is to broaden and deepen economic and industrial cooperation between our two countries and provide the necessary mechanism for bilateral investment promotion. It

will provide certainties and at the same time, meet the concerns of investors over matters such as expropriation, repatriation of investments and settlement of investment disputes. The signing of the IGA will, I am sure, stimulate the flow of investments and business initiatives between our two countries.

Trade between Malaysia and Taiwan since 1987 has been impressive. Total trade has grown from RM 2,474 million (US\$ 957 million) in 1987 to RM 8,941 (US\$ 3,439 million) in 1992, registering an average growth rate of 30% per annum. In 1992, Taiwan's share of Malaysia's global trade was 4.4% and was Malaysia's fifth largest trading partner, ranked after Japan (19.6%), Singapore (19.4%), the USA (17.2%) and the EEC (13.7%).

The two-way trade, however, has been in Taiwan's favour since 1988 with Malaysia experiencing a widening trade deficit with Taiwan. Trade deficit has risen from RM 362 million (US\$ 139 million) in 1988 to RM 2,487 million (US\$ 957 million) in 1992.

### A Trading Nation

With the rapid expansion of manufacturing activities in Malaysia, the capability of Malaysia exporting a wider range of quality manufactured products at competitive prices is on the rise. Taiwan should therefore look to Malaysia to source its import requirements.

Although Malaysia is a small country, we are a substantial trading nation. Much is also being done by the Government to promote Malaysian exports in recent years. Efforts have been made to break into new markets, especially the fast growing Asia Pacific and Latin American countries, through trade missions and the signing of bilateral payment arrangements.

To provide adequate professional support to the

nation's export drive, a new trade promotion organisation, namely, Malaysia External Trade Development Corporation (or MATRADE) has just been established. MATRADE will spearhead Malaysia's export promotion efforts in a more coordinated and aggressive manner.

### ASEAN Market

Taiwanese investors should view Malaysia not only as a potential market, offshore production base, but as an increasingly important gateway to the huge Asean market. The Asean economies, with about 340 million people and a combined gross national product of US\$ 300 billion are forecast to grow at about 6% between 1993 and 1994. With dynamic economic and export growth rates and increasing affluence, the demand for manufactured goods in the region is fast increasing. Thus Asean will be a strong magnet drawing investments into it. As a group, Asean offers foreign investors immense opportunities to tap its economic strengths.

These will be further enhanced following the implementation of the Asean Free Trade Agreement. Through this Agreement, tariff rates for made-in-Asean goods will be brought down ultimately to a range of 0% - 5%, within a span of 15 years commencing from 1 January 1993.

### Competitive Industries

Trade aside, Malaysia is also a strategic partner in investment, acting as a conduit for foreign companies seeking to expand their markets. To enhance our long-term competitive advantage, we are consciously gearing our capabilities to match the needs of the business world. We have outlived the era of labour-intensive industries. We are now switching to higher value-added, higher skill and more technology-intensive industries. To sustain the gains that have been made by

industry and to sustain a conducive environment in which competitive industries can grow and prosper. Malaysia must be able to maintain its pull factors. Hence, the Government is up grading the following areas:-

- Human resource development,
- Infrastructure,
- Technology and R & D,
- Industrial parks, and
- The small and medium industry (SMI) sector.

(a) *Human Resource Development*

A country that can have more highly skilled labour at relatively low wages invariably will favourably influence plant location decisions. Hence, Malaysia's manpower policies are focusing on developing specialised skills tailored to the needs of industries as they move up the technological ladder. The quality of vocational and technical education as well as training are continuously being improved to raise the efficiency and productivity of the labour force. Existing industrial training institutes will be expanded and new ones will be built.

However, at the rate technology and information are growing world wide, there is a need to increase the private sector's involvement in, and commitment to, industrial training.

Here, it should be noted that although a number of incentives are already in place to encourage industry-based training, details of which are in the Policy Book distributed to you, only the more enlightened industrial concerns have made conscious efforts to train their personnel.

A new approach has therefore been adopted to

encourage industrial training on a wider scope. The Human Resources Development Fund (HRDF) was launched in January this year and under this Scheme, manufacturing companies employing 50 workers or more, are required to make a mandatory contribution amounting to 1% of their payroll to the Fund.

These companies are eligible to draw on the Fund to subsidise their allowable training costs. To initiate the Fund, the Malaysian Government has contributed about US\$ 18.8 million (RM 48.9 million) to the Fund.

To ensure that the Fund is used to clearly fulfil industry requirements, the administration and management of the Fund is undertaken jointly by the Government and the private sector. In fact of the 14 members of the HRDF Council, which manages the Fund, only 4 are Government representatives while the rest are from the private sector.

I should also like to add that in the short-term, where technical and R&D personnel are not available immediately in Malaysia, foreign investors will be allowed to bring them into the country.

(b) *Business Support Infrastructure*

Malaysia will continue to upgrade its key infrastructural facilities such as telecommunications, transport, and public utilities. These will continuously be improved upon and expanded to cater to the increasing needs of the growing economy. On this, I would, however, like to take this opportunity to explain to you some bottlenecks we seem to be facing recently in the supply of electricity. This problem has received some publicity, both in the Malaysian and foreign media.

Currently the maximum demand for electricity in the country is about 4,510 megawatts (MWs) and although we have a total installed generating capacity of 5,567 MWs the actual generating capacity is less than 5,000 MWs. The unexpected growth in the national economy over the last few years has resulted in the actual demand for electricity growing more than the projected demand, thereby leaving the utility with very little excess capacity. To provide a 'safe' margin for generating capacity and to meet the continuous surge in electricity demand, the Government has just issued licences to two independent power producers (IPPs) who are expected to commence work soon to produce 2,400 of additional electricity annually.

I would also like to take this opportunity to assure you that this problem is well under control and emergency measures have been taken by the Government and the electricity supply corporation to ensure that operations of manufacturing industries will not be unduly affected by the apparent shortage in the supply of power.

(c) *Technology and R & D Base*

Malaysia will focus on building its capability in selected technologies, such as, automated manufacturing technology, biotechnology, information technology, electronics and advanced materials, that will enhance its competitiveness in the future. In addition to various incentives made available to encourage industry-based 'R & D' as well as new technology-based firms, last year the Government set up the Malaysian Technology Development Corporation (MTDC). The MTDC provides seed capital to companies which are interested in commercialising the results of research organisations and universities in Malaysia in order that the

economic worth of such findings can be realised. It also aims to encourage the growth of technology-based enterprises so as to broaden the industrial base of the Malaysian economy through effecting technology transfer to local companies and by providing the catalyst to the development of venture capital market in Malaysia. The Chief Executive Officer of the MTDC is here today as one of the mission members and he will be happy to explore with you any business opportunities you might have.

(d) *Special Industrial Parks*

As the number and variety of higher value-added activities grow, industrial parks with special infrastructure needs catering to high technology are being established. The Government is currently developing two hi-tech industrial parks - the Technology Park in Kuala Lumpur and the Kulim Hi-Tech Industrial Park in Kedah. These Parks are aimed at providing integrated facilities to nurture the development of high technology manufacturing industries. Industrial estates catering to specific industries such as Furniture Villages, Ceramic Parks and Foundry Complexes are also being set up.

(e) *Small and Medium Industries (SMIs)*

Government's efforts in this area are aimed at paving the way for a strong and modernised SMI sector. Local SMI's, estimated at about 30,000, are being encouraged to produce quality and high value-added products and services both for the larger companies in Malaysia as well as for export. Various programmes have been introduced to develop the SMI sector and these include:-

- (i) market development and production,
- (ii) special incentives,

- (iii) financial assistance and support,
- (iv) technical assistance and R&D
- (v) infrastructure for SMIs, and
- (vi) training in skills and management.

### **Tax Incentives**

With greater emphasis on strengthening these areas, less emphasis is now being placed on tax incentives. Our incentives package has been revised and where in the past, the Pioneer Status and the Investment Tax Allowance incentives were granted to a wide range of industries, now such incentives are given out more selectively and only projects which can fulfil certain levels of value-added, local content utilisation, technology and industry linkages will qualify for these incentives. Nevertheless both these incentives are still attractive.

To compensate to some extent the 'tightening' of our tax incentives, we have reduced the corporate income tax rate over the years. Once standing at 40%, the corporate income tax rate with effect from the year of assessment 1993 has been reduced to 34%, down 1% from the previous year, while the development tax which used to be 5% has now been abolished. We are confident this reduction in the corporate tax rate will make Malaysia a more attractive location for investment.

### **Investment Opportunities**

Given the priorities of Malaysia's industrialisation drive and the technological capabilities of Taiwan, the following are some areas which would offer opportunities for investment:-

- (i) High-technology industries, especially those that can integrate with the existing electrical and electronic industries, particularly in the fields of mi-

cro-electronics, computers, biotechnology, communication technology and advanced materials technology.

- (ii) Ancillary and supporting industries, that will provide the necessary components and services to the established larger industries. This sector covers a wide range of industries ranging from the mould and die industry to the component parts industries.
- (iii) Agro-based industries such as the cultivation of fruits and vegetables and the breeding, rearing or culture of livestock and aquatic products. Malaysia, with a large agriculture sector, provides a sound base for the establishment and development of food-based industries. The setting-up of integrated operations for aquaculture farms as well as processing plants offer good potential for investment.
- (iv) Resource-based industries, that is, those industries which would utilise Malaysia's resources such as rubber, timber, palm oil, cocoa, oil and gas, silica sand and clay to manufacture higher value-added products.

### **Domestic Investment**

Alongside promoting foreign investment, the Government is also working towards boosting domestic investment. For this purpose, certain industrial products and activities are identified from time to time, in which foreign investors are required to share the equity with local investors according to prescribed ratios. However, such local equity conditions are only imposed on projects intending to supply the Free Zones and Licensed Manufacturing Warehouses and do not apply to project exporting their products directly to countries outside Malaysia.

Examples of such subsectors where local equity condition will be imposed are plastic injection moulded components and parts for the electrical, electronics and telecommunication industries; plastic and paper packaging materials; metal stamped and pressed parts; furniture components; wire harness; transformers and coils; foundry products; and electroplating and heat treatment.

### Understanding the Policies

I have outlined to you some of our major policies. However these policies can only be looked upon as attractive only if they are understood correctly. Thus, it is important that they are properly explained to you. Any wrong impressions you have would distort your assessment of our investment climate. This would not be good for you as well as for Malaysia. For you, because then you could have made a wrong decision on your choice of the location for your project. Thus you would not be able to maximise the returns on your investments. For Malaysia, it would mean the loss of a project to another country.

I would thus like to use this opportunity to discuss some issues which I have been told are of concern to some of you here.

There have been complaints by Taiwanese investors on issues relating to the approval of expatriate posts and the employment of foreign workers which have caught the attention of your media here recently.

- (i) Let me first of all emphasise that our policy on the employment of expatriates is no different from any other country in that we would like to see as many Malaysians as possible are employed. However, in areas where we do not have the required skills, we would allow the employment of expatriates.

We also allow certain 'key posts' to be permanently filled by foreigners to enable them to look after their investment in Malaysia. On these 'key posts', you have expressed concern over some administrative procedures required for the extension of the employment pass.

I understand that some of you are of the impression that the validity of our employment pass for a 'key post' holder is for 10 years only and that the person concerned has to leave Malaysia for a period of at least 6 months to apply for a new pass. On this issue, I would like to emphasise that for the 'key post' holder, there is no time limit on the employment pass as long as the designated person continues to occupy the key post and he does not contravene any of the conditions set under the immigration laws. It is therefore not true to say that the validity of the employment pass is for 10 years only or that the person concerned has to leave Malaysia to apply for a new pass. Extension of the pass can be made at the Immigration Department and this can be done in Malaysia. It is not necessary for the holder of the Employment Pass given for the 'key post' to leave the country to reapply for a new pass.

On the other hand, the 'time limit' applies to all other posts (i.e. other than 'key posts') and the duration of each post given to the holder depends on the availability of Malaysians with such skills and on the need of the company concerned. Employment passes issued to holders of such 'open posts' are therefore valid for the period of time as approved for the post, subject to a maximum of 10 years.

In this connection, I would also like to reiterate that all holders of employment passes will be issued with multiple entry visas valid for the corresponding period that the employment pass is valid for.

(ii) Admittedly rapid industrialisation in the country has led to some tightness in the supply of labour. Unemployment had been declining steadily over the years - from 4.3% in 1991 to 4.1% in 1992 and a projected 4.0% in 1993. This has inevitably led to rising wages so that Malaysia today is no longer a competitive location for labour-intensive industries. It is for this reason, as I mentioned earlier, that our industrial strategy focus is on higher value-added, higher skill and more technology-intensive industries. We need technology to spur our economies to a higher level of industrialisation and to develop our workforce into one that can handle the sophisticated aspects of the industry. To overcome the supply of labour problem, the Government has agreed to allow the employment of foreign workers even in the manufacturing sector. This, however, is only a temporary measure and is permitted only when efforts to find qualified local citizens and permanent residents have failed. It is to ensure that employers will employ foreign labour only when necessary that a levy on foreign workers is imposed. There has been reports in a news media here that foreign investors have to pay a 'stiff poll tax' when they import foreign workers to Malaysia. I would like to reiterate here that our policy on allowing the employment of foreign workers - and I am sure this is also the policy of your Government - is not to replace the locals. The levy is imposed partly to ensure that the privilege given is not abused. Anyway the present rates of levy

imposed on the various categories of workers for the manufacturing sector are by no means 'stiff'. For the general worker it is only RM420 (US\$ 161) per year whilst that for a senior manager it is RM 2,400 (US\$ 923). This, as I have said is only a temporary measure, and I hope eventually we do not have to resort to the use of foreign labour.

Before I conclude I would like to request you to discuss your problems directly with my officials. I believe sometimes it is your misinterpretation of our policies that has given you some apprehension on our country's business environment. We have Mandarin speaking officers, both here in Taipei and in Malaysia, who will be able to explain to you correctly our various policies which are pertinent to your investment in the country.

For those of you who are planning a business trip to Malaysia, I would like to assure you that the various Malaysian Government machineries such as MITI, MIDA and the various State Governments will also be at your service to help you in your investigations and to facilitate your investment and a fast implementation of your proposed projects.

On this note, I would like to end my address and to take this opportunity again to invite you to come to Malaysia to take advantage of the vast investment opportunities there.

## ***WORLD CONFERENCE ON HUMAN RIGHTS***

**Statement by the Minister of Foreign Affairs, in Vienna on 18 June**

We are meeting at a time when the world is undergoing a process of unprecedented change. Since the Teheran Conference 25 years ago, human rights have moved to the forefront of the international agenda because of the alarming increase in human rights violations, many of which were tolerated under the cover of East-West ideological rivalry. With the end of the Cold War, the situation has not improved and the need for effective global action on this vital issue has assumed an even greater urgency. Our presence here today testifies to our abiding commitment to constructive dialogue and international cooperation in the pursuit of human rights, human dignity and the essential worth of the human person.

### **Human Rights**

In Malaysia, we have been closely studying developments in the field of international cooperation on human rights. A great deal of progress has been made in strengthening the instruments for the promotion and protection of human rights. The procedures at the Commission on Human Rights that provide for the appointment of representatives of the Secretary-General or Special Rapporteurs, Working Groups and monitoring mechanisms, along with the Confidential 1503 procedure have been developed over the years. Unfortunately, all of them reflect the preoccupation with civil and political rights. We are also witnessing signs of the increasing politicisation of human rights issues by the developed countries and at the United Nations.

Forty-five years after the Universal Declaration of Human Rights, the world, regrettably, is no closer to a consensus on the universality of all human rights. While there is no question that we want human rights to be protected and promoted, there is a conceptual divide, arising from differing perceptions and positions on this complex issue. It is important that this is recognised and redressed. The objective, after all, is to harmonise and reconcile diverse view points so that we may arrive at a meaningful global consensus. On the question of human rights there is no place for confrontation but there is a need for global partnership.

Malaysia takes a holistic view of human rights. We believe that civil, political, economic, social and cultural rights are indivisible and interdependent. We wish to stress that the right to development is a fundamental and inalienable human right. The 1968 Teheran Conference had proclaimed that the full realisation of civil and political rights would be impossible without the enjoyment of economic, social and cultural rights. The international community must address the totality of this issue in an integrated manner and with the same equality and urgency.

### **Right to Development**

The Teheran Conference also established that the realisation of human rights was impeded by the widening gap between the developed and developing coun-

tries. It further acknowledged that meaningful progress in implementing human rights depended upon sound and effective national and international policies of economic and social development. Yet, today, the goals of the Teheran Declaration remain unfulfilled and the gap between developed and developing countries has further widened. Increasingly, the policies of the North are constraining the developmental objectives of the South and seriously undermining their economic growth. Without development, without an integrated approach to human rights, in which developmental needs are incorporated, international cooperation on human rights cannot be sustained. A senior World Bank official at a seminar organised here last Wednesday said quote "It is unfair to talk about political rights only. There is no doubt that freedom from poverty comes first for the poor, although everybody aspires to all freedoms and rights" unquote. The time has come to give due weight and attention to implementing the Declaration on the Right to Development.

The relationship between development and democracy is an essential condition for the full and effective enjoyment of human rights. Unfortunately, however, there has been a retreat from the commitment reached in Teheran on the linkage between human rights and development. Bilateral and multilateral attempts to link development assistance to the observance of human rights only undermine our collective commitment to and pursuit of human rights. It is right and proper that we do not condone violation of human rights, wherever and whenever they occur, but selective approaches, be they monitoring or pressure tactics, will not be conducive to the fostering of international cooperation for the promotion and protection of human rights.

### **Economic & Social Justice**

It is our hope that this Conference will go beyond the simple recognition of the relationship between human rights and development and move into concrete programmes of action. In this respect, we are deeply concerned at attempts by donor countries to incorporate conditionalities in their development assistance programmes. Malaysia shares the view of the UNDP and the World Bank against the introduction of conditionalities which encourages political prejudices and selectivity and victimises the poor twice over.

Human rights and democracy are meaningless in an environment of political instability, poverty and deprivation. Let us admit and recognise this. The West had an enormous advantage of history, and the plundering of economic resources of their colonies as well as the luxury to hew and hone its democratic instincts, political values, military power and civilian rule. For many developing countries, meeting basic needs for food, shelter, education and health remain a daily struggle. In such situations, civil and political rights have little meaning without their social and economic underpinning. Neither has a priority on the other and the two must develop in tandem.

### **A Balanced & Democratic Approach**

Let me be clear that Malaysia is not advocating that the promotion of human rights be conditional upon development. Nor we are saying that we should use discipline to curb individual freedom. What we are seeking is a balanced and democratic approach that incorporates the views and concerns of all of us and not

just those of a privileged and powerful few. Another conceptual lacuna in the current debate on human rights is the manifest emphasis on individual rights at the expense of the rights of the community. The rights of the individual are certainly not in splendid isolation from those of the community. Excessive individual freedom leads to a decay in moral values and weakens the whole social fabric of nations. In the name of individual rights and freedom, racial prejudices and animosities are resurfacing to the extent that we are witnessing the rise of new forms of racism and xenophobia, increasingly manifested in violence.

The international community must take stock of the practical linkages between development and democracy for human rights to be fully enjoyed. Every opportunity should be given to the developing countries to shape their own political, social and economic institutions which reflect their own traditions and values. After all, as colonies, many of them had been subjected to human rights abuses by the very same self-righteous proponents and defenders of human rights today.

### **Restructuring the Machinery**

The United Nations Secretary-General has observed that both the principles and the practices of human rights are under stress. He recently wrote and I quote, "This is a time for serious discussions, for quiet diplomacy and step-by-step problem-solving. Solutions cannot be imposed from the top down. Proposals for new bureaucracies high-level positions, more procedures and permanent forums, as admirable and well-intentioned as they are, may only arouse discontent and resistance at a time when liberality and leeway are called for. This is a year for dialogue", end of quote.

Our concern now is not about the need for human rights but rather about how we achieve reasonable standards of human rights, as to who sets those standards and as to how aberrations created by double standards can be effectively addressed.

Against this dismal backdrop, we hear a rising clamour for new institutions including the proposed post of High Commissioner of Human Rights. In Malaysia's view, what is perhaps needed is a thorough study to revamp the existing United Nations human rights machinery, in particular the Commission on Human rights and the Centre for Human Rights. As regards the proposals for the establishment of an International Court of Human Rights and an International Penal Court, our view is that we should await the outcome of studies being undertaken by the Commission on Human Rights and the International Law Commission before taking a final decision.

### **Double-Standard**

Nowhere is the double-standard approach to human rights more glaring than in the West's evasion of its responsibilities through its inaction in the face of the massive and gravest violations of human rights in Bosnia-Herzegovina. Surely, their apathetic and meek response to genocide, ethnic cleansing and rape, in the heart of Europe, makes a total mockery of their preaching and posturing on the promotion and protection of human rights in far corners of the world. We ask ourselves what credentials do they still have to preach about human rights when the most blatant abuse of those rights before their very eyes goes unpunished. The murderous acts and cruelty perpetrated by the Serbs on Bosnian men, women and children, the horror of which confronts all of us on our television screens

everyday, are stark expressions of a deliberate and cynical humiliation of the human spirit and dignity, not to mention the destruction of life itself. Must a whole community be annihilated for another community to achieve its nationalistic aspirations? What more is needed to move the West to take forceful action provided for in the Charter of the United Nations to end killings, aggression and the mutilation of a sovereign and independent nation, a member of the United Nations, when all peaceful diplomatic efforts have failed. Their failure is an impeachment of their credibility.

### **Injustices**

The Security Council too has failed to fulfill its obligations under Article 24 of the Charter to take prompt and effective action to restore peace and uphold the sovereignty, independence and territorial integrity of the Republic of Bosnia-Herzegovina. At the same time, the Council is denying the Government of this Republic its inherent right to self-defence under Article 51. This is immoral, unjust and totally unacceptable.

Today, as we are gathered to take stock of international progress in the field of human rights, we must be courageous, honest and responsible enough to address the acute and tragic human rights situation in Bosnia-Herzegovina. Failure to do so is to condone and to connive at aggression and massive violations of human rights, and to be an accessory to the crimes being committed by the Serbs. Like many others, my delegation was deeply moved by the heart-rending appeal made by the Bosnian Foreign Minister on Tuesday and we were extremely gratified that this Conference spontaneously endorsed his plea for our meeting to request the UN Security Council to take all necessary measures to immediately end the genocide in Bosnia-Herzegovina especially in Gorazde.

### **Territorial Aggression**

Our worst fear of the consequence of a policy of apathy and appeasement is now surfacing with the abandonment of the Vance-Owen Plan in favour of the Tudiman-Milosevic proposal for the partition of Bosnia-Herzegovina into three states based on ethnic lines. Although full details of the proposal are not yet available to us, the fact remains that its acceptance means legitimising Serbian acquisition of territory through the use of force and the abhorrent practice of ethnic cleansing. We are troubled by the notion that European nations and the United States of America, at the dawn of the 21st century find it practical and proper for a country to be divided along ethnic and religious lines, when Bosnia-Herzegovina has long been multi-ethnic and multi-religious. It contravenes international law and is in violation of all relevant Security Council Resolutions and General Assembly Resolution 46/242 (1991) and 47/121 (1992).

### **Fulfilling Responsibilities**

In the light of this latest development, it is important that this crucial initiative be further reinforced and complemented by a comprehensive plan of action. In this connection, members of the Organization of Islamic Countries (OIC) have proposed that this World Conference issues a declaration to pledge its solidarity with the people and the Government of the Republic of Bosnia-Herzegovina and urge the Security Council to fulfill its responsibilities under the UN Charter, particularly, under Article 24, by taking prompt and effective measures in order to restore peace, to affirm the independence, sovereignty and territorial integrity of the Republic of Bosnia-Herzegovina and to uphold the human rights of its people. In the context of this Conference having to address the issue of human rights,

the tragedy of Bosnia-Herzegovina is an acid test. Where is the protection of the most basic of human rights - the right to life itself? The need to support the OIC proposed Special Declaration is in my view imperative.

### **Human Dignity**

I certainly agree with the view that there is no single model or panacea that would help tackle the threat of the revival of ethno-nationalist and religious conflicts. In Malaysia, we are blessed with a multi-racial society, the majority of which are indigenous people. It is no coincidence that through the secret ballot box, people in my country enjoy full participation in the democratic process. In the villages and in the forests there are also minority indigenous groups. Often, there are confliction and forceful demands on the Government to respect and sustain the traditional way of life of some of these groups, and at the same time, to encourage them to contribute to, and participate fully in the mainstream of national life.

This morning at the Conference we observed a special commemoration of the International Year of the World's Indigenous People. As a nation with more than 30 indigenous groups, we in Malaysia rejoice in celebrating this historic day. In Malaysia, we certainly do not wish to see any of our indigenous people become marginalised in our society or become mere tourist

attractions. There is ample opportunity, room and land for all our citizens and ethnic groups. Our vision of the future is a nation, whose people are highly motivated, resilient, tolerant and compassionate. For us, the underlying foundation of a democratic and successful nation remains the need for strong and good governance for a disciplined and productive society, for continuing emphasis on political stability and quality economic growth with human beings at the centre of development efforts, while we continuously strive for the upholding of human dignity and the essential worth of the human person.

In conclusion, I would like to underline that progress in the field of human rights and democracy must be pursued within the context of democratisation in international relations. It is important that the principle of democracy are practised within the United Nations. All states, big and small, rich and poor, must be given the opportunity to participate in the work of the Organization to enhance cooperation in human rights as well as in other areas of international cooperation. This is the only way to avoid replacing the ideological rivalry of the Cold War period with that of North-South antagonism. After all, in the words of the Charter, the United Nations both symbolises and reflects the harmonisation of the collective action by nations in the pursuit of common ends. Let this inspire us to work towards our common goals in the spirit of constructive dialogue, consensus and genuine cooperation.

## ***AGREEMENTS***

<b>DESCRIPTION</b>	<b>PARTIES TO AGREEMENT</b>	<b>DATE &amp; PLACE</b>
Investment Guarantee Agreement	Malaysia & Poland	21 April Kuala Lumpur
Double Taxation Treaty	Malaysia & Papua New Guinea	20 May Port Moresby
Air Service Agreement	Malaysia & Argentina	21 May Kuala Lumpur
Memorandum of Understanding covering Trade, Economic and Educational Cooperation	Malaysia & Ireland	27 May Kuala Lumpur
Joint Cooperation Agreement covering the promotion of Commercial, Economic, Industrial and Technical Cooperation	Malaysia & Ireland	28 May Kuala Lumpur
Bilateral Payments Arrangement (BPA)	Malaysia & Uzbekistan	28 June Kuala Lumpur

## ***MOVEMENTS OF AMBASSADORS AND HIGH COMMISSIONERS***

### **OVERSEAS REPRESENTATION IN MALAYSIA**

- 16 April - The following presented their credentials to the Yang di-Pertuan Agong at Istana Negara
1. Mr Abuelgasim El Khidir Mohd. Abdullah - Ambassador of the Republic of Sudan
  2. Mr U Sein Lwin - Ambassador of Myanmar
- 4 May - The following presented their credentials to the Yang di-Pertuan Agong at Istana Negara
1. Mr Mohamed Gherib - Ambassador of Tunisia
  2. Mr Vorobyov Vitali Yakovlevitch - Ambassador of Russia
- 12 May - The following presented their credentials to the Yang di-Pertuan Agong at Istana Negara
1. Mr Luuzan Gotovdorjiin - Ambassador of Mongolia
  2. Mr Ricardo Antonio Danza - Ambassador of Cuba
- 22 June - The following presented their credentials to the Yang di-Pertuan Agong at Istana Negara
1. Mr John Cecil Dauth - High Commissioner of Australia
  2. Mr John Peter Bell - High Commissioner of Canada
  3. Mr Thierry Reynard - Ambassador of France

## *DIARY OF EVENTS*

- 1 April
- The Yang di-Pertuan Agong presented the letter of appointment to Tun Haji Ahmad Zaidi Adruce Mohammed Noor to serve his third term as the Yang di-Pertua Negeri of Sarawak.
  - Finance Minister Datuk Seri Anwar Ibrahim delivered a keynote address at the 12th General Assembly of the World Assembly of Youth (WAY). A Malacca state Executive Councillor Datuk Mohamad Ali Rustam was elected unopposed as the 11th president of WAY, making him the first Malaysian to be elected to that office.
- 2 April
- Lord President Tun Hamid Omar received the Lord High Chancellor of Britain, Lord Mackay of Clashfern at his office. Mackay arrived on 30 March for a 10-day visit at the invitation of the Government.
  - Deputy Foreign Minister Datuk Dr Abdullah Fadzil Che Wan received British Minister of State at the Foreign and Commonwealth Office, Mr Alastair Goodland at Wisma Putra. Matters on European Community, the United States policy under President Bill Clinton and problems in Bosnia-Herzegovina and Cambodia were discussed.
- 3 April
- The Prime Minister and his party arrived in the Iranian capital, Teheran from Tashkent on a four-day visit. Dr Mahathir is the first Malaysian Prime Minister to visit Iran since its revolution in 1979.
- 4 April
- The Yang di-Pertuan Agung Sultan Azlan Shah and Raja Permaisuri Agong Tuanku Bainun arrived in Tokyo to begin an eight-day state and official visit to Japan. The four-day state visit by the King and Queen, at the invitation of Japanese Emperor Akihito and Empress Michiko, was to reciprocate the state visit by them to Malaysia in 1991 during their historic Southeast Asian tour.
  - Deputy Home Minister Datuk Megat Junid Megat Ayob officially opened the Malaysia - China Friendship Association first general meeting in Kuala Lumpur.
- 5 April
- Finance Minister and the British Minister of State at the Foreign and Commonwealth office, Mr Alastair Goodland had cordial talks at the Finance Ministry. The two Ministers discussed ways to enhance bilateral co-operation, the financial assistance promised by the British Government for the development of the international airport in Sepang and additional landing rights for Malaysia Airlines.
  - The three-day World Intellectual Property Organisation (WIPO) Asian region round table on the development of an effective industrial property system, was opened by Domestic Trade and Consumer Affairs Minister Datuk Abu Hassan Omar.

- Papua New Guinea Minister of Transport Roy Yaki called his counterpart Datuk Seri Dr Ling Liong Sik at the latter's office. Yaki is accompanied by a nine-member delegation which was here on a four-day visit to study Malaysia's privatisation of its port operations.
- 6 April - The Malaysia Standard Time organised by Standard and Industrial Research Institute of Malaysia (SIRIM) was launched by Chief Secretary to the Government Tan Sri Ahmad Sarji Abdul Hamid. The standard time would be available from the clock located on top of the Sirim building.
- 7 April - Dr Mahathir, the first Malaysian Prime Minister to visit Iran, had an audience with spiritual leader Hazrat Ayatollah and held talks with President Ali Akbar Hashemi Rafsanjani. A joint communique was issued in Teheran at the end of the four-day official visit.



*The Malaysian delegation led by the Prime Minister during talks with Iranian leaders.*

- Defence Minister Dato' Seri Mohd Najib bin Tun Abdul Razak received a visit made by US Pacific Commander Admiral Charles R Larson at his office. Larson arrived in Malaysia on a three-day official visit.
- 8 April - United States Pacific Forces Commander Admiral Charles R Larson called on Finance Minister at his office where they held a closed-door discussion.
- 9 April - Deputy Foreign Minister opened the Iran Solo Exhibition 93 at the Putra World Trade Centre. About 60 state-owned and private Iranian companies dealing in carpets, glassware, pharmaceuticals and heavy industries took part in the 12-day exhibition.
- 11 April - The Yang di-Pertuan Agong and Raja Permaisuri Agong returned home from an eight-day State and official visit to Japan. During their four-day official visit following the state visit they visited Kyoto, Osaka and Fukuoka.
- 12 April - Asean senior law officials began a three-day meeting in Kuala Lumpur to establish a regional legal framework to enhance co-operation in the wake of global developments, including those taking shape in the developed nations.
- 13 April - A delegation of scientists led by New Zealand Science and Technology Minister Simon Upton is on a two-day visit here to establish research and development links with research institutions here. Comprising representatives from key research institutes in New Zealand, the 16-member team will also explore the possibility of business opportunities.
- 14 April - The Prime Minister's wife, Datin Seri Dr Siti Hasmah Mohamed Ali officiated the Asean Confederation of Women's Organisations (ACWO) Conference on AIDS and the Asean Women - Challenges for the 21st Century. The three-day conference is organised by the National Council of Women's Organisations Malaysia (NCWO).
- 15 April - Deputy Prime Minister Abdul Ghafar Baba officially opened the Second Meeting of Asean Ministers of Justice, Ministers of Law and Attorneys - General in Kuala Lumpur.
- 16 April - The Agriculture University of Malaysia (UPM) signed a Memorandum of Understanding (MOU) with the Malaysian Institute of Economic Research (MIER) to cooperate in the field of economic research. The MOU will pave the way for greater collaboration as well as the exchange of ideas and expertise between the university and the institute.

- Mexican Deputy Foreign Minister Javier Barros Valero called on Transport Minister Datuk Seri Dr Ling Liong Sik at his office. Earlier, Valero called on Culture, Arts and Tourism Minister Datuk Sabbaruddin Chik.
- 18 April
- Prime Minister launched the Malaysian leg of the Asean run for Humanity at Dataran Merdeka. For the first time runners will cross the borders of Malaysia, Brunei, Indonesia, the Philippines, Singapore and Thailand to link the Asean nations in a marathon.
- 19 April
- Deputy Prime Minister received Mr Stoyan Ganev, the president of the 47th session of the United Nations official at his office.
  - Finance Minister delivered his keynote address at the national management conference entitled "Managing the Nineties : Challenges, Opportunities and Strategies" organised by the Malaysian Institute of Management (MIM).
  - Four new senators sworn in before Dewan Negara president Datuk G Vadiveloo. They were Hanipah Ahmad, Selemiah Hashim, Limun Laikim and Ibrahim Daud.
  - A 14-member South Korean delegation, comprising small and medium-scale manufacturers, which is on a fact-finding mission had a meeting with officials of the Selangor Malay Chambers of Commerce and Industry. The delegation will be assessing the viability and availability of business opportunities here.
- 20 April
- China Disabled Persons Federation chairman Deng Pufang called on the Prime Minister at his office. Deng was accompanied by the Chinese Ambassador to Malaysia Jin Guihua and Social Development Minister Datuk Napsiah Omar.
  - A seminar for the Caring Corporate Citizen Movement held at the Putra World Trade Centre was launched by the Finance Minister. The seminar was sponsored by Yayasan Basmi Kemiskinan. (YBK) Berita Harian Sdn. Bhd and Sistem Televisyen Malaysia Bhd. YBK is an organisation set up by the Selangor State Government to fight poverty in the state.
- 21 April
- Prime Minister had talks with Polish Deputy Prime Minister Henryk J Goryszewski at his office. Also present were Foreign Minister Datuk Abdullah Ahmad Badawi and Deputy Energy, Telecommunications and Post Minister Datuk Mohamed Tajol Rosli Ghazali, who is the minister-in-attendance. Goryszewski was on a three-day official visit to the country.

- The Malaysia-Poland Business Council (MPBC) was launched in Kuala Lumpur. The business council was established under the umbrella of the Joint Cooperation Agreement signed between the National Chamber of Commerce and Industry of Malaysia (NCCIM) and the Polish Chamber of Commerce in Warsaw last year. The cooperation was reaffirmed with the signing between MPBC and its Polish counterpart, the Poland-Malaysia Council. The signing ceremony was witnessed by the Deputy Prime Minister and the visiting Deputy Prime Minister of Poland, Mr Henryk Goryszewski.
- 22 April - Japanese Deputy Defence Minister A Hiyoshi who was in Malaysia on a three-day visit beginning 21 April made a courtesy call on Defence Minister.
- 25 April - Finance Minister opened a Youth Economic Convention which was jointly organised by the Malaysian Youth Council and Kobena Berhad.
- 26 April - Malaysia handed over the Asean Run for Humanity torch to Thailand in a grand and symbolic ceremony held at Jambatan Perpaduan (Unity Bridge) which joins the two border towns of Rantau Panjang and Sungai Golok. National Unity and Social Development Minister Datuk Napsiah Omar handed over the torch to the Thai Deputy Prime Minister Banyat Bartadnan.
- 29 April - The Yang di-Pertuan Agong presented the appointment letter to Tun Hamdan Sheikh Tahir as Penang Yang di-Pertua Negeri for a second four-year term at Istana Negara. Hamdan was reappointed with effect from May 1.
- 1 May - North Korean Information Minister Kim Gi Ryong together with Deputy Director-General of television Chong Gan U and officials from the secretariat of the Information committee visited the Malaysia Agriculture Park in Shah Alam.
- 3 May - Prime Minister launched the World Consumer Day at the Pusat Islam auditorium. This is the second consecutive year that Malaysia is celebrating the international event which falls on March 15 every year.
- Agriculture Minister Datuk Seri Sanusi Junid opened a four-day national conference for agriculture extension officers in Port Dickson.

- An eight-member Queensland parliamentary delegation which is headed by its Primary Industries Minister Edmund Casey called on the Dewan Rakyat Speaker Tan Sri Zahir Ismail at his office. The Queensland delegation, which was on an Asean tour, was seeking to foster awareness of the state among Malaysians and study bilateral investment opportunities.
- 6 May - Deputy Minister of International Trade and Industry Chua Jui Meng officiated the China Technology & New Products Exhibition 1993 in Kuala Lumpur. Among the 163 exhibition were the Beijing University of Aeronautics and Astronautic, the Hebei Academy of Science and the Shanghai Institute of Nuclear Research.
- 7 May - A two day conference organised by the Institute of Strategic and International Studies (ISIS) was opened by the National Unity and social Development Minister Datuk Napsiah Omar. The conference known as the first ISIS National Conference on Women : Towards an Engendered Millennium was sponsored by the National Unity and Social Development Ministry's Women's Affairs Division (Hawa) and the Friedrich Naumann Foundation.
- 9 May - Iranian Foreign Minister, Mr Ali Akbar Velayati who arrived on 8 May for a two-day official visit, called on his counter part, Datuk Abdullah Ahmad Badawi. They discussed the details of the agreements reached between Dr Mahathir and Iran President Ali Akbar Hashemi Rafsanjani. The agreements were discussed during the visit by Dr Mahathir to Iran last April.
- 10 May - The International Committee of the Red Cross (ICRC) president Cornelio Sommaruga, who was on a three-day official visit, called on Prime Minister at his office in Parliament. He was accompanied by the committee's delegate-general for Asia, Mr Jean Michel Monod and the Jakarta-based regional delegate, Mr P Pont. The visit is aimed at strengthening ties between the ICRC and Malaysia and to review the Red Cross and Red Crescent activities with the Government.
- Prime Minister left for Tokyo to attend an international conference on Asia's role in the changing World Order. He was one of the keynote speakers. The three-day conference, which brought together Asian leaders, United States officials and corporate executives, was to examine Asia's role in the rapidly changing global economy and international community.

- 11 May
- The 14th session of the International Tropical Timber Council (ITTC) held here was officiated by Primary Industries Minister Datuk Seri Dr Lim Keng Yaik. Representatives from the Environmental Protection Society of Malaysia (EPSM), World Wide Fund for Nature (WWF) and United States-based Global Forest Policy Project (GFPP) attended the meeting.
  - Agriculture Minister opened the Malaysian Psychologists Association convention at the National University of Malaysia (UKM)
  - Foreign Affairs Minister attended the Non- Aligned Movement Ministerial Meeting in Nusa Dua, Bali, from 11 to 13 May.
- 13 May
- Prime Minister delivered a keynote speech at the New York-based Asia Society's conference on "Asia's Role in the Changing World Order" in Tokyo.
- 16 May
- Prime Minister returned here after attending an International Conference in Tokyo. During the conference Dr Mahathir took the opportunity to explain the East Asia Economic Caucus (EAEC).
- 17 May
- Defence Secretary Malcolm Rifkind of Britain met with his Malaysian counterpart, Datuk Seri Najib Tun Razak, at the Defence Ministry. Rifkind was here on a four-day official visit which was his first since taking office in 1991. He was accompanied by a seven-member delegation, including the Head of Defence Export Services Sir Alan Thomas.
  - Former Malaysian Finance Minister Tun Daim Zainuddin arrived in Jakarta as the head of a five-member delegation to meet Indonesian leaders for discussions on the proposed establishment of the Northern Growth Triangle.
- 19 May
- The Cabinet appointed Sabah Umno deputy liaison chief Tun Datuk Mustapha Harun, as Minister for Sabah Affairs.
  - An eight-member study group from the Institute of Political Science, Nguyen Ai Quoc Academy, Hanoi, was on a ten-day study tour of Malaysia to learn about the process and practice of democracy in the country.



Argentinian Foreign Affairs Minister Dr Guido De Tella, meeting his Malaysian counterpart Datuk Abdullah Ahmad Badawi.

20 May

- A two-day National Health Care conference was opened by the Prime Minister. The conference, organised by the Association of Private Hospitals of Malaysia, was attended by representatives of private and government hospitals, insurance and medical supplies companies.
- Foreign Affairs Minister, was met by his Argentinian counterpart, Dr Guido De Tella, at Wisma Putra. In the meeting, both agreed that Asean and the Rio Group, an economic grouping comprising seven Latin countries, should explore opportunities to co-operate further.

- 21 May
- Prime Minister launched the new model of the national car - the Proton Wira - describing it as a success and proof that Malaysia is capable of penetrating the sophisticated automotive industry.
  - Minister for Employment, Education and Training in South Australia Susan Lenehan called on Education Minister Datuk Amar Dr Sulaiman Daud at his office. Lenehan ends her four-day visit on 22 May.
- 22 May
- Prime Minister launched the RM 330 million FPG Oleochemicals Sdn Bhd plant in Tanjung Gelang in Kuantan. The project is a joint-venture between the Felda Mills Corporation and Procter & Gamble from the United States.
  - Argentinian Foreign Minister Dr Guido Di Tella and his delegation called on International Trade and Industry Minister Datuk Seri Rafidah Aziz. It was to discuss bilateral trade and investment. Di Tella was leading the seven-member delegation on a six-day visit to Malaysia.
- 23 May
- Prime Minister arrived in Seoul to attend the 26th International General Meeting of the Pacific Basin Economic Council (PBEC). The heads of Government - Dr Mahathir, President Kim Young-Sam of South Korea and President Fidel Ramos of the Philippines will hold a forum on the main theme, "Open regionalism : A new basis for globalism", at the Seoul Art Center on 24 May.
  - Deputy Prime Minister Ghafar Baba begun his three-day visit to France. The increase in landing frequency for Malaysia Airlines in Paris and the abolition of visa requirement for Malaysians visiting France were among the major topics raised by DPM.
- 24 May
- Prime Minister spoke at the Leaders' Forum in the Pacific Basin Economic Council International General Meeting, in Seoul.
  - Chinese Defence Minister General Chi Haotian and a ten-member delegation arrived for an eight-day official visit. General Chi's visit was to reciprocate Defence Minister Datuk Seri Najib Tun Razak's visit to China last year.
  - Chinese Defence Minister called on his counterpart at the Defence Ministry.
- 26 May
- Science, Technology and Environment Minister Datuk Law Hieng Ding opened the 16th Pacific Area Standard congress in Kuala Lumpur. It was organised by the Standards and Industrial Research Institute of Malaysia (SIRIM).

- 27 May
- Prime Minister and Irish Prime Minister Albert Reynolds witnessed the signing of a memorandum of understanding between Kumpulan Perubatan Johor Sdn Bhd chairman Datuk Mohamed Ali Hashim and Mr David Hanley, who represented Parc Healthcare International.
  - Science, Technology and Environment Minister announced that Malaysia agreed to sign the Climate Change Convention, making it the 158th country to commit itself to the anti-global warming cause.
- 28 May
- Foreign Affairs Minister launched the Malaysia-Ireland Business Council. The inauguration was made during a joint business meeting of business leaders of Ireland and Malaysia, hosted by the National Chamber of Commerce and Industry of Malaysia (NCCIM) in honour of visiting Irish Prime Minister Albert Reynolds.



*The Minister of Foreign Affairs during the launching of the Malaysia-Ireland Business Council.*

- 30 May - Primary Industries Minister delivered his keynote speech at an Asean marketing seminar, "Winning Marketing and Positioning Strategies", in Kuala Lumpur.
- 1 June - The secretary-general of the Commonwealth, Chief Emeka Anyaska, arrived in Malaysia to hold bilateral consultations with Malaysian leaders regarding the forthcoming Commonwealth Heads of Government Meeting (CHOGM).
- 2 June - Prime Minister launched a book entitled "Dealing with the Malaysian Civil Service". The book was produced by the Malaysian Administrative Modernisation and Management Planning Unit (Mampu).
- Deputy Prime Minister of Western Australia Mr Hedy Cowan, who was also Minister for Commerce and Trade called on International Trade and Industry Minister Datuk Seri Rafidah Aziz at her office.
- 7 June - Foreign Affairs Minister delivered his key-note address at the 7th Asia-Pacific Roundtable at Kuala Lumpur.
- 10 June - Deputy Prime Minister opened the 7th Malaysian International Tradefair of Industrial Development Technology Machinery and Equipment at the Putra World Trade Centre.
- Foreign Affairs Minister called on President Suharto of Indonesia in Jakarta to exchange views on the possible situations to the Bosnian problem. The Minister who came as a special envoy of the Prime Minister sought the views of Suharto on the possibility of taking stronger actions to resolve the Bosnian conflict.
- 12 June - Indonesian Finance Minister Drs Mar'ie Mohamad called on Deputy Prime Minister at his office. Drs Mar'ie was accompanied by the director-general of the Indonesian Finance Board Drs Bambang Supianto and the chairman of the Indonesian Financial Education and Training Corporation Drs Marzuki Osman.
- 13 June - Prime Minister arrived in China for a ten-day state visit. He is leading a 290-man delegation, among whom are Foreign Affairs Minister, Transport Minister, Primary Industries Minister and Culture, Arts and Tourism Minister Datuk Sabbaruddin Chik. This is Dr Mahathir's second visit to China. His first visit was in 1985.
- 14 June - Deputy Prime Minister opened a three-day International Rubber Technology Conference organised by the Rubber Research Institute of Malaysia (RRIM). Twenty working papers will be presented by local and foreign experts at the conference attended by about 400 participants.

- Deputy Public Enterprises Minister Datuk Dr Siti Zaharah Sulaiman opened a seminar on "The Role of Women in the Media Towards Environmentally Sound and Sustainable Development. It is organised by the Asian Institute for Development Communication (AIDCOM) and sponsored by the Konrad Adenauer Foundation of Germany.
- 15 June
  - Malaysian companies and their Chinese counterparts today signed about 30 agreements and Memorandums of Understanding (MOUs) in various fields to consolidate two-way economic collaboration between the two countries. Prime Minister witnessed the signing after the joint meeting of Malaysian and People's Republic of China (PRC) businessmen in Beijing.
  - Agriculture Minister Datuk Seri Sanusi Junid officiated the opening of the national conference on the "Agro-based and Food Industry" in Kuala Lumpur. The theme of the two-day conference was "The National Agriculture Policy - new challenges, investment opportunities and future strategies".
- 18 June
  - Australian Employment, Education and Training Minister Kim Beazley called on Minister of Education at his office. Among other things, they discussed plans for more twinning programmes between private college here and Australian universities.
- 19 June
  - Eleven Police officers to serve under the United Nations Operations in Mozambique left to join the United Nations Mission for the Referendum in Western Sahara.
- 20 June
  - The Prime Minister and his delegation arrived in this fastest growing region of the People's Republic of China on the last leg of his ten-day visit. Dr Mahathir, his officials and the businessmen accompanying him were briefed on developments in the Shenzhen Special Economic Zone by Mayor Li Yonwei and leading members of the People's Government of Shenzhen Municipality.
- 21 June
  - Deputy Prime Minister delivered a keynote address at the Sixth Conference of Ministers of Education and Those Responsible for Economic Planning in Asia and the Pacific. Some 146 people from 40 countries in the region took part in the four-day conference, organised by Unesco and hosted by the Malaysian Government.
- 22 June
  - International Trade and Industry Minister opened the Malaysian Association of Institute of Chartered Secretaries and Administrators International Conference in Kuala Lumpur. The two-day conference with the theme "Corporate Governance in a Global Perspective" saw presentations by speakers from Britain, Australia, Singapore and Hong Kong.

- Inspector-General of Police Tun Mohammed Haniff Omar received the Distinguished Service Order Medal at an investiture ceremony at the Istana from Singapore President Wee Kim Wee. Haniff became the first chief of police of another country to be conferred the republic's highest service award.
- 23 June - United State Deputy Secretary of State, Dr Clifton R Wharton and his delegation called on Foreign Affairs Minister at Wisma Putra. In the meeting, Datuk Abdullah conveyed Malaysia's stand to the United States to consider other options, including convening a special meeting of the United Nations General Assembly, to resolve the Bosnian conflict.
- 24 June - Dr Clifton R Wharton, called on the Prime Minister at his office. Wharton hoped that his visit would be seen as an important signal for invigorating the bilateral relations to a new, even stronger level.
- The first Asean Imam Conference organised by the Islamic Affairs Division of the Prime Minister's Department started at the Sultan Ahmad Training Institute in Bangi, Selangor. The five-day conference was participated by 260 delegates from the six Asean countries and Imams from all the states in Malaysia.
- 25 June - Indonesian Armed Forces Chief General Feisal Tanjung called on the Prime Minister at his office. Feisal arrived here with his wife Masrowida for a two-day visit. The visit was part of his tour of Asean countries following his recent appointment to the post.
- Finance Minister opened a conference on "Communication, Technology and Development : Alternatives for Asia". The three-day conference was jointly organised by the Asian Mass Communication Research and Information Center (AMIC) and the New Straits Times Press (Malaysia) Berhad.
- A two-day seminar on Islamic Understanding for the Mass Media was opened by the Chief Secretary to the Government Tan Sri Ahmad Sarji Abdul Hamid. The seminar was jointly-organised by the Institute of Islamic Understanding Malaysia (IKIM) and Malaysia Press Institute (MPI).
- 28 June - Defence Minister had an hour-long discussion with his Indonesian counterpart General Edi Sudradjat who was here on a two-day visit. Datuk Seri Najib made an offer to Indonesia to use the Hawk flight simulator purchased for the Royal Malaysian Air Force to train its pilots.
- 29 June - China's Shandong province Governor Zhao Zhihao called on Deputy Prime Minister at his office. Zhao headed a five-member delegation from Shandong province. The visit was aimed at learning from Malaysia's development effort.



# **FOREIGN AFFAIRS MALAYSIA**

PERPOSTAKAN  
WISMA PUTRA  
KEMENTERIAN LUAR NEGARA  
MALAYSIA  
KUALA LUMPUR

**FOREIGN AFFAIRS MALAYSIA** is published by the Ministry of Foreign Affairs, Malaysia. It is designed to provide information on Malaysia's foreign policy and foreign relations. Any material in the Journal may be reproduced but acknowledgement of the source would be appreciated.



# *FOREIGN AFFAIRS MALAYSIA*

PERPUSTAKAN  
WISMA PUTRA  
KEMENTERIAN LUAR NEGERI  
MALAYSIA  
KUALA LUMPUR

Vol 26 No 3 September 1993 Ministry of Foreign Affairs ISSN 0126-690X

# CONTENTS

## ***STATEMENTS MADE IN MALAYSIA***

### ***10TH ANNIVERSARY OF THE INTERNATIONAL ISLAMIC UNIVERSITY***

*Speech by the Prime Minister, Dato' Seri Dr Mahathir Mohamad at the anniversary celebration on 24 August* 3

### ***14TH COMMONWEALTH FORESTRY CONFERENCE***

*Speech by the Prime Minister at the conference on 13 September* 8

### ***SEMINAR ON "THE ROLE AND INFLUENCE OF RELIGIONS IN SOCIETY"***

*Address by the Prime Minister at the Seminar, jointly organised by Institute of Islamic Understanding, Malaysia and the Goethe Institute on 14 September* 12

### ***BRITISH PRIME MINISTER VISITS MALAYSIA***

*Speech by the Prime Minister at the dinner in honour of Mr John Major on 21 September* 16

### ***FORMATION OF THE TRANSITIONAL EXECUTIVE COUNCIL AND THE LIFTING OF TRADE AND ECONOMIC SANCTIONS AGAINST SOUTH AFRICA***

*Statement by Datuk Abdullah bin Haji Ahmad Badawi, Minister of Foreign Affairs in Kuala Lumpur on 24 September* 20

### ***ADOPTION OF NEW CONSTITUTION OF CAMBODIA***

*Statement by Ministry of Foreign Affairs on the new constitution of Cambodia on 25 September* 21

# **STATEMENTS MADE OVERSEAS**

## **VISIT TO THAILAND BY PRIME MINISTER**

*Speech by the Prime Minister at the dinner hosted by Mr Chuan Leekpai,  
Prime Minister of Thailand on 19 August* 23

## **SITUATION IN BOSNIA-HERZEGOVINA**

*Statement by Mr M Redzuan Kushairi, Charge D' Affaires AI of Malaysia at the  
Security Council in New York on 23 August* 26

## **UNCTAD'S ASSISTANCE TO THE PALESTINIAN PEOPLE**

*Statement by Mr A Ganapathy, Deputy Permanent Representative, Permanent Mission of  
Malaysia, Geneva, on behalf of the Asian Group on Agenda Item No. 8, on 21 September* 28

## **SEMINAR ON "MALAYSIA : YOUR PROFIT CENTRE IN ASIA"**

*Keynote address by the Minister of International Trade & Industry, Dato' Seri Rafidah Aziz  
at the Seminar in New York on 28 September* 30

## **WORLD BANK AND IMF ANNUAL MEETINGS**

*Statement by Minister of Finance, Datuk Seri Anwar Ibrahim at the meetings in  
Washington D C on 28 - 30 September* 37

## **MEETING OF THE MINISTERS OF FOREIGN AFFAIRS OF THE ORGANISATION OF THE ISLAMIC CONFERENCE (OIC)**

*Address by Minister of Foreign Affairs at the conference in New York on 29 September* 40

***COUNCIL OF FOREIGN RELATIONS***

*Address by the Prime Minister at the luncheon in New York on 30 September* 44

*Speech by the Prime Minister at the United States - ASEAN Business Council in New York on 30 September* 48

***AGREEMENTS*** 52

***MOVEMENTS OF AMBASSADORS AND HIGH COMMISSIONERS*** 53

***DIARY OF EVENTS*** 55

***STATEMENTS MADE IN MALAYSIA***

# ***10TH ANNIVERSARY OF THE INTERNATIONAL ISLAMIC UNIVERSITY***

**Speech by the Prime Minister, Dato' Seri Dr Mahathir Mohamad  
at the anniversary celebration on 24 August**

I would like to thank the Board Members and academic staff of the International Islamic University Malaysia (IIUM) for inviting me to share with you some of my thoughts on the role of IIUM as an Islamic international university.

I feel honoured to be with you today as you commemorate the 10th Anniversary of the International Islamic University Malaysia. Alhamdulillah, the University is now well-known as a reputable institution of higher learning in Malaysia as well as in the Muslim world. The International Islamic University Malaysia has shown that an Islamic university, properly conceived, could achieve a level of excellence which is on par with the more established universities in this region and elsewhere. There is no doubt that this achievement is due, in large measure, to the vision and wisdom of its academic staff and management. They have made what the university is today. I would like to congratulate them all for their dedication and achievement.

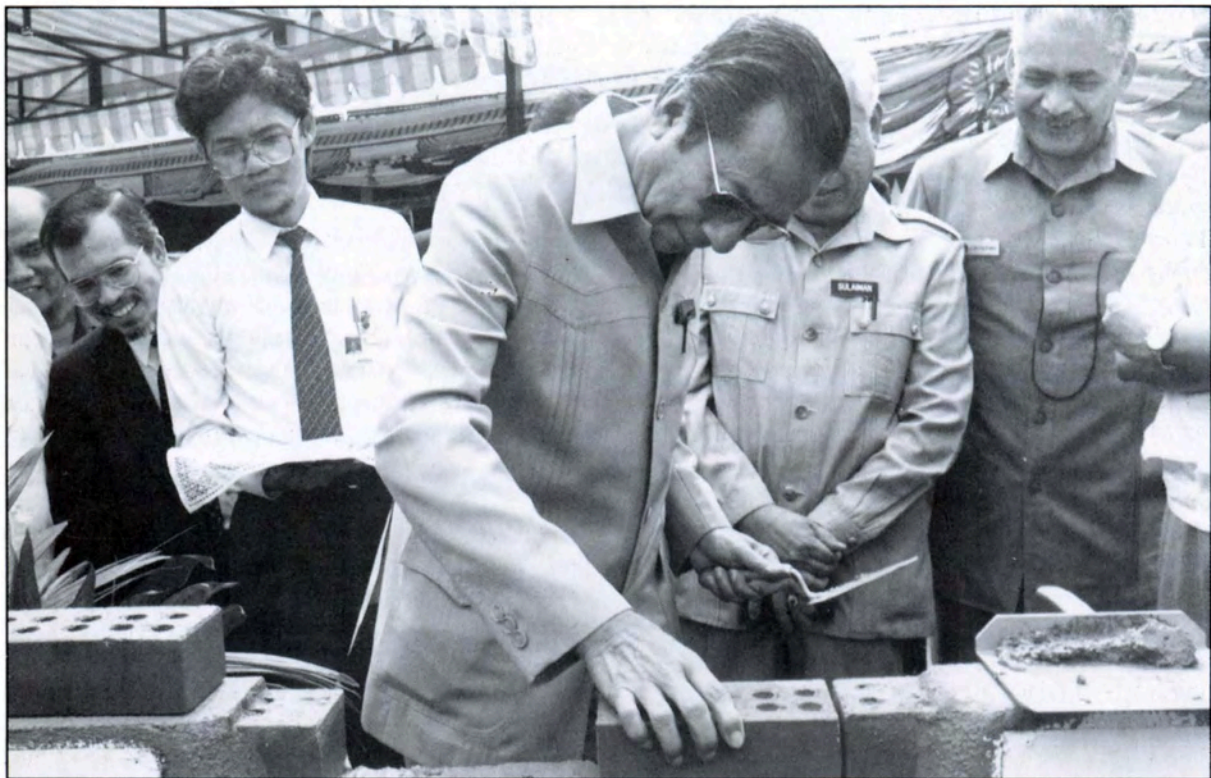
The idea of an Islamic university in Malaysia has been expressed by many Muslim quarters since Independence in 1957. As a Malaysian Muslim I shared this vision and I am glad to be able to contribute in a small way towards its founding. I was much encouraged by the support of Almarhum Professor Ismail Al-Faruqi.

## **A Way of Life**

There has always been within the Muslim country a belief that an Islamic university must be concerned

exclusively with the study of the religion of Islam. One can perhaps understand this narrow view where other religions are concerned, for they do not regard religion as a way of life. Islam is not just a belief, a faith. Islam is a way of life. A way of life that encompasses all that one does during one's lifetime must include command of all the knowledge that can contribute to it. Such is the importance of all knowledge in Islam that we are enjoined in Surah Al-Ghashiyah that we must observe the mountains and the camels. Obviously these are examples of the creations of Allah and equally obviously, they have a bearing on life. To observe is to study. No limits are placed on the extent of our study of these creations of Allah. Surely Islam is a religion that positively exhorts us to study what surrounds us, and constitutes a part of our life. Such studies constitute the sciences, for what else can result from our observation if not scientific knowledge. Yet there are Muslims who would have us confine learning and knowledge solely to the study of the teachings and the interpretations of Islamic theology and Islamic laws.

And so the Islamic university must not confine itself solely to theology. All the subjects that are being taught in other universities must be taught with equal thoroughness in the Islamic university. The students who graduate from the Islamic university must be well-rounded and knowledgeable and must be able to live and contribute to the way of life of Muslims in all aspects. They must know how to administer themselves and the Muslim Ummah, to develop and to defend them as much as they must know and perform the rituals of Islam.



*Prime Minister brick-laying the foundation of the International Islamic University Campus.*

### **Islamic Values**

But then if an Islamic university teaches subjects which are no different from those which are being taught in other universities, what makes it an Islamic university? This is a cogent question. A way of life is not just based on knowledge. It must also be based on a set of values, a culture. In other words it must form a part of a distinct Islamic civilisation. If Islam is to be a way of life, then that way of life must be based on Islamic values. To know these values it is necessary to have at least a working knowledge of the religion of Islam, particularly that which affects our thinking, our

evaluation and reaction to the problems affecting our life.

### **Knowledge of Islam**

Not everyone in a Muslim community must have a thorough knowledge of Islam. It is sufficient if there is even one or a few who have a thorough knowledge of the different aspects and parts of the religion. For the rest they must have sufficient knowledge of the creed so as not to deviate from the essence of Islam. In an Islamic university, every student must be taught sufficient knowledge of the religion as to make him a good

practising Muslim, to guide him so that in the use of the knowledge that he has gained, he will not deviate from the teachings of Islam and from the Islamic way. Thus he will be not only knowledgeable of his subject but he will not misuse it or employ it in a way that is forbidden by the religion. Since Islam does not just forbid but enjoins the faithful to do positive things in life, he must know the right way to do this, to employ his knowledge in the way and the cause of Islam.

The question is how much knowledge of Islam is sufficient? It is here that the scholars have always differed. Some want the knowledge to be so deep and extensive as to exclude other knowledge. Some would have their knowledge so shallow that there is real danger that the religion will be neglected entirely.

#### Understanding of Islam

The people who planned this university can only say that it should produce graduates steeped in the teachings of Islam while they acquire knowledge that will contribute to their own betterment in life and so to the betterment of the Muslim ummah. It is up to the academics to determine the levels. What is desired is that the graduate of the Islamic universities is not only knowledgeable in his subject but is a well-rounded Muslim whose faith is not merely inherited but is fortified by his understanding of the teaching. He goes forth into the world well equipped to create and live a way of life that is truly Islamic.

#### Disunity among Muslims

Today we cannot say that Muslims in general, practise the Islamic way of life. How can we claim that when we see them disunited, even at war with each other, weak, backward and almost totally dependent for their safety on the goodwill and whims and fancies of others? Despite the injunctions of the Al-Quran to be

prepared to defend ourselves, it is obvious that we are quite incapable of doing so. Everywhere we see Muslims being oppressed without any Muslim nation or people being able to play any real role in preventing the oppression, in restoring justice and in bringing about peace.

There is not a single Muslim superpower. Nor is there a Muslim nation which is at the leading edge of knowledge, of technology, of organisational and administrative skill. Yet we know that Islam stresses the need for knowledge and skills in those fields which can strengthen and protect the ummah. Far from strengthening ourselves, we are dissipating our resources by splitting ourselves and quarrelling over minor issues. Instead of solving our problems through the application of Islamic principles and teachings we resort to getting help from those who cannot possibly have any sympathy for Islam or the Muslims. Truly we cannot claim that we are practising the Islamic way of life.

While the performance of certain prescribed ibadah is essential to the practice of Islam and the expression of our faith, the practice of the Islamic way of life is equally an expression of the faith. We believe in life after death and in the rewards and punishments which will be meted out then. But Islam, more than any other religion, is about life before death. That is why Islam is a way of life. That is the only way that Islam can be a way of life. If now, if life is solely devoted to death and to hereafter, then Islam cannot be a way of life as we all acknowledge it to be.

#### Islamic Practices

We are fortunate to be Muslims. We are Muslims because those who entered the faith at the time of the Prophet s.a.w. practised the Islamic way of life. They were not just strong in their belief but they practised the Islamic way of life. As a result these nomadic and

backward Arabs became powerful and highly knowledgeable about the conduct of life as individuals and as nations and were able to spread the religion well beyond their impoverished desert homeland. The teachings of the religion today stress rituals and those matters which are forbidden, no matter how trivial, that the exhortation of the religion which concerns acquisition of knowledge and skills is largely ignored. If at all, knowledge is translated as knowledge of Islam and the laws derived from its interpretation.

There is also a tendency to divide knowledge into the religious and the secular. This is actually in accord with the division in the Christian religion between the state and the church, the religious and the worldly, which resulted from the resentment against the excessive influence of the church in the affairs of state.

Is there in Islam a distinction between daily life and religious observation? If Islam is a way of life, can that way be separated from the practice of religion? We know that cannot be. Our life is totally governed by the teachings of Islam. And our life must include what we do for a living, what we do for our defence and the defence of the religion, what we do to enhance the position of Islam, its spread and the respect for it.

### **Knowledge and Skill**

To do all these involves skill and knowledge. The Prophet s.a.w. was known for his business skills and his wisdom in worldly matters. This contributed to the respect the communities in Makkah and Madinah had for him and to his eventual success in carrying the Message. The Prophet was knowledgeable in the affairs of everyday life as much as he was knowledgeable in religion.

How then can we adopt the Christian thesis that religion should be separated from secular affairs? There

cannot be this separation between what is secular knowledge and what is religious knowledge.

Hence the different disciplines that an Islamic university must focus on, teach, research and spread are a part of the teachings of religion. They are not secular. Knowledge regarding what is not concerned with religious rituals and laws must still be governed by the needs of Islam as a religion and a way of life and the values and objectives laid down by it. This knowledge is not secular. It is a part of the religion and must balance the knowledge of the rituals and the laws of Islam.

### **Decline in Faith**

Failure to learn and master these subjects, which are not specifically religious, will expose the Muslims to the danger of losing their religion. This happens spectacularly when, because of their material and intellectual poverty and weakness, they are subjected to outside pressures and even to conquest and oppression. But even if they are merely poor and lack various skills and knowledge they are in danger of being obstructed in the practice of their religion. Their acquisition of knowledge and skills, intellectual and material wealth is therefore a part of their means to preserve their faith - a part of the practices of their religion and their way of life. The al-Quran is clear on the issue of poverty. Poverty is one step before losing faith. And we must remember that poverty is not concerned only with material things but intellectual and other skills also.

Again it is clear that Muslims must pursue all knowledge in order to protect their faith. It is because they neglect knowledge that is not manifestly related to the religion that they have become weak and easily oppressed, and in many instances disillusioned with their faith. It is therefore important that the faithful must correct this narrow view of Islam and to seek

knowledge which can contribute towards the preservation of Islam and the Islamic way of life. And towards this end, all Muslims, male and female must contribute, for to exclude females is to halve our strength.

### **Women's Participation**

There is certainly no necessity for the kind of women's liberation that is corrupting the Western world, but it must be remembered that it was Islam which gave specific rights to women. Unfortunately in the attempt to avoid being distracted by women we have excluded women from intellectual pursuits and participation in public life.

The collapse of religion in the West should serve as a warning to us. If we are too liberal in our interpretation of Islam, it too can collapse. But fear of this possibility should not lead us to curtail or reverse even what Islam permits. We must always be aware and respectful of the true limits imposed by Islam and we must abide by them. Where Islam permits flexibility, these must be availed of. But at all times the interests and well-being of the ummah and the religion must be safeguarded.

### **Safeguarding Islamic Knowledge**

The IIU is set up in order to safeguard true Islamic knowledge in the context of a world that has changed so vastly since the coming of Islam. It is meant to prepare Muslims to face the problems of the modern world with their faith intact. It is to ensure that the Muslim world-view is balanced between life and the hereafter. It is meant to perpetuate Islam as a religion for all times.

Clearly the task before this university and for all who are involved with it is very great. It is nothing less than to help in the resurrection of Islam and the Muslims. Of course it will not be alone in this struggle. It may just contribute one little bit to this effort. But even the little it can do is of great significance to the religion and the ummah.

I am aware that my views may not be shared by many. But as a Muslim I feel it is my duty to say all these even if I will come under much criticism especially by the orthodox. Islam and the Muslims have regressed. There are some who will not even admit this. There are some who will claim that there is a great resurgence of Islam at the moment. But in truth at no time in history has Islam been as greatly humiliated as now, at no time have the Muslims wavered more in their faith.

### **Restoration of Islam**

You in the university, whether academics or students, have a heavy responsibility. You are a part of the struggle to restore Islam, to restore the faith, to restore the respect and the dignity of Islam and to reinstate the role of the ummah in worldly affairs. You have to do this without neglecting "akhirat". You always have to achieve a balance between the two.

This is not just any university. This is an Islamic university. It has a duty to the ummah and to Islam. And you have a duty to the ummah and to Islam.

It is with the hope and expectation that you will all bear this in mind that I now declare the Convocation Fiesta organised by the Student Representation Council and All Student Association officially closed.

## 14TH COMMONWEALTH FORESTRY CONFERENCE

Speech by the Prime Minister at the conference on 13 September

It is a pleasure to be here today on the occasion of the official opening of the 14th Commonwealth Forestry Conference (CFC). Let me, first of all, thank the organisers for inviting me to address and officiate the opening of this conference. Let me also extend a very warm welcome to all our guests and participants and wish them a fruitful conference and a pleasant stay.

We have all witnessed how forestry has today emerged as a dominant issue high on the list of both the domestic and international agenda. As a country with substantial tropical forests, Malaysia has consistently voiced her concern over any unrestrained exploitation. The issue has to be viewed in its right perspective and approached in a balanced and holistic manner, taking



*The Prime Minister during the official opening of the 14th Commonwealth Forestry Conference in Kuala Lumpur.*

into account not only the inter-relationship between environment and development, but also between forest and non-forest issues as well as between tropical and non-tropical forests.

### **Deforestation vis-a-vis Environmental Problems**

Environmental problems confronting the world today are a result of global pollution for which the developed countries are mainly responsible. Deforestation in the tropics occurs much later than the widespread destruction of non-tropical forests in developed countries due to the agricultural and industrial revolutions as well as the expansionist past of these countries. Problems of sustainability beset not only tropical forests but also all other types of forests which have suffered from past destruction and are in danger of continuous degradation and decline from acid rains, pollution and fires. More importantly, the underlying causes of tropical deforestation are not orderly logging but rather poverty, indebtedness as well as the needs for fuel and land for agriculture, food and shelter.

### **Langkawi Declaration**

Our quest for a balanced and fair approach to these global issues on forestry has now been acknowledged. In fact, it was reflected in the Langkawi Declaration on the environment adopted by the Commonwealth Heads of Government Meeting (CHOGM) in Kuala Lumpur in October 1989.

The momentum gained from the Langkawi Declaration was consolidated in the Paris Declaration passed by the 10th World Forestry Congress in 1991, which addressed all types of forests in the world in the desired holistic way. Among other things the declaration called on decision-makers to commit themselves to the greening of the world, limit emission of greenhouse gases and pollutants and increase financial provisions to offset

losses incurred by developing countries.

More than a year has passed since the forest principles were adopted. Apart from the decision taken by the United Nations Commission on Sustainable Development (CSD) to review forestry related matters under its multi-year thematic work programme at its session in 1995, there has been no significant implementation of these principles and other UNCED decisions on forestry. The initiative for the establishment of an independent world commission on forests and sustainable development appears to have faltered for lack of support from many countries. Yet, the necessary preparations have to be put in place to ensure a substantive and fruitful review by the CSD in 1995. Given the heavy and wide-ranging work programme of the CSD and that forests have emerged as an issue which demands our urgent attention and action, it is imperative that an inter-governmental task force on forestry be established under the aegis of the CSD to undertake the necessary preparations and consultations for the CSD review in 1995. This is a more constructive way to push for the effective implementation of the entire post-UNCED agenda on global forestry.

Despite efforts to develop and adopt a more balanced and holistic framework for global forestry, general perceptions, attitudes and thinking of developed countries are still focused on tropical forests. Promises for new and additional resources and the transfer of technology remain basically unfulfilled. Tropical forests continue to face unfair scrutiny and conditionalities while tropical timber is subjected to mounting pressures and threats of labelling, bans and boycotts.

### **ITTO Sustainability Target**

The only set of internationally agreed standards on sustainability in existence is the one adopted by the International Tropical Timber Organisation (ITTO)

which applies exclusively to tropical forests. Tropical forest countries which are members of ITTO have also given their commitment to the attainment of the ITTO sustainability target by the year 2000. What bothers us most is that non-tropical forests and timbers which compete with tropical timber in the same international timber market are not being subjected at all to any internationally agreed standards and commitment to sustainability. Yet we know that the practice of clear felling of miles and miles of temperate forests causes more environmental damage than the controlled selective logging practised in tropical forests.

This is a glaring case of double standards and a clear contradiction to the decisions of UNCED. It requires immediate redress. In the on-going negotiations for a successor agreement to the International Tropical Timber Agreement (ITTA) 1983, producer members have proposed the expansion of the scope of the agreement to cover all timbers, so that non-tropical timbers can be subjected to the same sustainability criteria and all problems of discrimination and double standards can be effectively eliminated. Not surprisingly, this proposal has been rejected by consumers of the North.

### **Less Commitment from the North**

The truth is consumers in the North have been dragging their feet on the issue of the sustainability of their non-tropical forests and timbers and have not shown any serious and sincere intention to make a concrete commitment to the sustainability of their forests even outside the ITTA. A recent effort by the ministerial conference on the protection of forest in Europe at Helsinki has been criticised as being too little too late and seriously lacking in clarity, substantiveness and time-frame. Forests are renewable natural resources and developed countries can redeem themselves by raising their forest cover to a respectable level through,

perhaps, the conversion to forests of their heavily subsidised farms which are causing grievous harm to unsubsidised commodity export of developing countries.

### **Role of CFC**

The 14th Commonwealth Forestry Conference is the first being held after the historic Earth summit which took place in Rio last year. In view of this and considering its pioneer effort in promoting a balanced approach to the global issues of forest and environment through the Langkawi Declaration, the Commonwealth is well placed to once again lead by example in the implementation of the UNCED decisions. Uncertainties clouding some of the existing international efforts on forestry, including the tropical Forestry Action Programme (TFAP), give further credence to this emerging opportunity.

On the basis of this need, I would like to suggest that the initiative be launched to streamline the implementation of the UNCED forest principles within the Commonwealth with emphasis on the following:

- (a) Acceptance by all that states have the sovereign right to exploit and manage their forest resources on a sustainable basis taking into account the need for social and economic development as well as the protection of the forests and the environment;
- (b) sustainable forest management and the sustainability criteria should be made applicable to all types of forests and timbers;
- (c) Efforts towards the greening of the world should be the main responsibility of those countries with low forest cover and should be pursued in the context of increasing the world's forest cover to 30 percent of its land area by the year 2000;

- (d) Developing countries should be provided with new and additional resources and be given access to environmentally-sound technologies on favourable terms in order to enhance their capacity to sustainably manage, conserve and develop their forests;
- (e) The promotion of a supportive international economic climate and trade in forest products based on non-discriminatory and multilateral agreed rules and procedures, as well as the removal of tariff and non-tariff barriers and impediments to trade in forest products; and
- (f) The conservation and sustainable use of biological diversity as provided for in the convention of biological diversity should take cognisance of the importance of forests, particularly tropical forests, as the main repository of terrestrial diversity.

#### **Malaysia's Commitment & Contribution**

Malaysia has been known for her outspokenness on global issues concerning forests and the environment. Following our active participation in the negotiations at UNCED, we have stepped up our national efforts towards implementing the decisions of UNCED. These include conducting a national seminar on the follow-up to the Rio Earth Summit, signing of the framework convention on climate change, incorporating sustainable development into the governmental and administrative framework, formulating a national action plan on biological diversity and assuming the first chairmanship of the CSD.

On forestry, our forest and tree cover remain at almost 60 percent and more than 70 percent respectively and we are fully committed to our pledge of retaining a minimum 50 percent level of forest and tree cover in perpetuity. In this connection, our Permanent Forest Estate (PFE) has been expanded from 12.7 million to 14.1 million hectares. A total of 4.7 million hectares of forests outside the PFE representing 14.3 percent of the total land area, has been dedicated for the protection of biodiversity and environment. The National Forestry Policy has been updated in 1992 and we have recently amended the National Forestry Act to strengthen its provisions and to introduce stiffer penalties for forest offences. The state of Sarawak is adjusting its log production in accordance with the recommendations of the Cranbrook Report by 1994 and has undertaken specific programmes to cater for the needs and welfare of the indigenous people who are directly dependent on the forests. At the international level, Malaysia as a member of ITTO, has given her full commitment to the attainment of the ITTO sustainability target by the year 2000, and is involved in collaborative work in forestry on a bilateral basis with a number of countries including Japan, United Kingdom, Germany, New Zealand, Canada, the United States and Sweden.

I believe that on the basis of these measures, Malaysia is in a good position to fulfill her commitment towards the sustainable management, conservation and development of her forests. This should give us the courage and confidence to meet the challenges and developments in global forestry in the years to come.

With these remarks, ladies and gentlemen, I have great pleasure in declaring open the 14th Commonwealth Forestry Conference.

## ***SEMINAR ON 'THE ROLE AND INFLUENCE OF RELIGIONS IN SOCIETY'***

**Address by the Prime Minister at the Seminar, jointly organised by Institute of Islamic Understanding, Malaysia and the Goethe Institute on 14 September**

I would like to thank the Institute of Islamic Understanding Malaysia (IKIM) and the Goethe Institute, organisers of this Seminar, for inviting me today to deliver this address and to officially open the Seminar.

The organisers have made a good choice in selecting the topics which touch upon the main aspects of human life, namely philosophy and the state, law, education and family as well as economics. These topics should be critically analysed and examined through the mirrors of both Islam and Christianity, if we want to have a better understanding of the importance of religions to society.

### **Of Man's Creation**

Man is almost schizophrenic by nature, being both a physical person and a spiritual soul. The holy Qur'an has clearly described man's creation in two distinct phases. The first phase being the creation of the body or physical being from clay. The second phase is the breathing of the soul into the body of God's Spirit which completes man's creation. The relevant texts of the verses read as follows:

"We created man from sounding clay, from mud moulded into shape; while the Jinn race, We had created before, from the fire of a scorching wind.

Behold! thy Lord said to the angels: I am about to create

man, from sounding clay from mud moulded into shape;

When I have fashioned him (in due proportion) and breathed into him of My spirit, fall ye down in obeisance unto him".

[Al Hijr (15): 26-29].

"Man did We create from a quintessence (of clay);

Then We placed him as (a drop of) sperm in a place of rest, firmly fixed;

Then We made the sperm into a clot of congealed blood, Then of that clot We made a (foetus) lump, then We made out of that lump bones and clothed the bones with flesh, then We developed out of it another creature. So blessed be Allah, the Best to create!"

After that, at length ye will die."

([Al Muminun (23) : 10-15]

### **Man's 3 Pertinent Points**

This process of man's creation signifies three pertinent points. Firstly, the breathing of Allah's Spirit into man. This signifies that man is provided with the faculty of God-like knowledge and will, if rightly used, gives man superiority over other creatures. This also implies that man is created innocent, pure, true, free, inclined to doing right and to virtue, and endowed with true understanding about his own position in the Universe and about Allah's goodness, wisdom and power.

Secondly, because of his lowly origin of clay, there is always the possibility of man being caught in the meshes of customs, superstitions, selfish desires, and false teachings. It is this situation that may make him pugnacious, unclean, false, slavish, hankering after what is wrong or forbidden, and deflected from the love of his fellow-men and the pure worship of the One True God.

Thirdly is that this evil touches those who yield to it, and has no power over Allah's sincere servants, purified by His Grace. This means that sincerity towards submitting oneself to Allah's will is the best shield against Satan who is out to destroy man.

### Religious Guidance

It is for this reason that men's behaviour keep fluctuating between good and bad. They turn to God when they are in distress or in suffering. However, when they are in affluence or prosperity they forget God and His bounty. Indeed they should be grateful when in affluence or prosperity and remain steadfast and patient when they are in adversity. In order to ensure that man is consistently inclined to right and virtue, he needs to be endowed with a true understanding of himself, his Creator and his environment. Such knowledge can only be obtained through the continuous guidance of religion. As such religion provides man with the right frame of mind, encourages him to do good and avoid evil. Religion is the anchor that prevents man from drifting aimlessly and being caught in the meshes of evil.

### Spiritual Emptiness

In the real world, we have on one extreme a society that completely rejects all religions and Godliness. After about seventy years of practising life without any religion, the communists in Eastern Europe and Russia

have failed miserably and disintegrated. Clearly, there is no spiritual anchor in such a society and their failure in achieving their purely materialistic objective must in some way be due to this spiritual emptiness. The failure is total and complete so much so that a great power is now forced to literally beg for help from its former enemies. In Albania where Enver Hoxha, the former President, outlawed religion and destroyed bibles and Qur'ans and all literature pertaining to religion, there is now only a shell of a country.

A great people with a proud civilisation is reduced to being the poorest nation in Europe. But a Government cannot destroy faith by legislation, or even by force. Today the Albanians have returned to their religions, to Islam, to Christianity and to Orthodox Christian beliefs. Peace and calmness have now returned and there is a new sense of purpose and confidence in the future.

### Mankind

Man does not live by bread alone. The spiritual hunger must be assuaged also. Otherwise even though the stomach is full, there will still be an emptiness, a void that renders life meaningless. To live in order to eat is to be no different from animals. Surely man is created for a greater purpose. The world is what it is today because of man. A creed that ignores the difference between man and animals, and ideology that is based exclusively on the gratification of the senses, and nothing more, is decivilising and denies the greatness of the mind and the superior feelings that man is endowed with. To reduce mankind to merely existing without purpose is to deny reason and the rationality of creation.

We have, on the other hand, the predominantly Christian Western societies which separate religious life from the secular. Hedonism, the love of pleasure

and the gratification of the senses, has gradually displaced religion and made it more and more irrelevant. With this the structure of society has changed.

### Rejection of Religion & Its Values

The relation between members of western society is now largely based on material gains and sensual gratification. Selfishness dominates in the search for these objectives. The community has given way to the individual and his desires. Inevitably the result is the breakdown of established institutions. Marriages, family, respect for elders, for conventions, for customs and traditions have all but disappeared. In their place emerged new values based largely on rejection of all that relates to faith. And so there are single parent families which breed future incests, homosexuality, cohabitation, unlimited and unrestrained materialism and avarice, irreverence, disrespect for all and sundry and of course rejection of religion and religious values. Society and its members have nothing to hold on to. They are adrift and directionless. Even their hedonism, the pleasure-seeking lifestyle begins to pall and bore them, leaving them totally empty or seeking thrills from drugs and other vices.

The west has not yet gone the way of the Communist, but the decay has begun. We cannot foretell the future but there is a good chance that, unless sanity and a return to religion takes place, what has befallen the Communist will also befall them.

The Muslim community suffers from a different malady. Weak and oppressed, suffering all kinds of psychological ailments, many seek solace and escape in esoteric religious practices. In so doing they interpret Islam in ways which are unIslamic. Because of this, Islam and the Muslim have acquired a bad name. It is regarded as a millstone around the neck of the follow-

ers, retarding their development. It has become associated with unprincipled practices such as terrorism and injustices to their co-religionists and the followers of other religions. It has split them into warring factions, causing untold misery and carnage among them. And it has brought this noble humanising religion to disrepute. The Muslims are no longer in control of their destiny. They are being manipulated and made the tools and proxies for the conflicts of others. And they suffer this willingly, blaming others and blaming fate.

### Extremism

Muslim extremists pride themselves in their adherence to Islam. But in fact they are the bane of Islam. It is they who give Islam a bad image, who prevent the world from understanding the true teachings of Islam, who repel would-be followers and indeed it is they who exasperate and drive other Muslims to forsake the faith and succumb to the blandishments of materialism and ungodly ideologies.

The only redeeming feature with the Muslims is that whether they are practising Muslims or not, they still consider themselves Muslims, i.e. they generally believe they have a faith.

From the different models of society across the globe, we can hardly find a society worthy of emulating. We have on the one extreme the communists who have completely rejected all religions and have eventually destroyed themselves. On the other end of the continuum, we have from time to time the emergence of some extreme religious groups who devote their whole life and self to the pursuit of their beliefs to the exclusion of all else. In trying to effect their escape from a world beset with problems, they themselves become a problem to the world.

## Categories of Societies

In between these two extremes we have three major categories of societies in relation to religion. First, we have the predominantly Christian Western societies which confine religion to only their private and personal life. Religion has no place in their economic, political or social pursuits. They claim their state to be secular and that "God is dead". Whilst they may have achieved tremendous progress in their economic pursuits, they have failed miserably in upholding truth, justice and other virtues. Their societies are suffering from moral decadence. Their social lives are filled with all kinds of psychological and physical problems. They are living in stress and fear of new fatal diseases which their way of life has engendered and now threaten to spread wildly as they refuse to give up their hedonistic lifestyles.

Secondly, of course we have the East Asian models which have also demonstrated tremendous success in economic pursuits whilst at the same time keeping quite strictly to their own values, traditions and religions. Although they do not adhere strictly to their religious teachings, they do not reject or secularise their religions. They adopt a very flexible approach.

Finally, we have the Muslim societies who have a firm belief in Islam but have now become confused by the emergence of numerous sects and creeds, some of which plainly deviate from the true teaching. Their weakness and worldly failures do not provide humanity with a good model to follow.

## Man and civilisations

History has invariably taught us that the rise and fall of civilisations has been chiefly due to the citizenry. It is the people that make up civilisations. It is the quality of the citizens that is the most important ingre-

dient to effect dramatic changes to society and nations. Islam, for example nurtured its earliest community based on truth and justice such that within a short span of time it had spread its influence throughout Arabia, Central Asia, North Africa and even southern Europe. It was also Islamic civilisation that had tremendously contributed to the various fields of knowledge to the world. This was merely because of the deliberate and concerted efforts undertaken by the early Muslims to integrate both the physical and spiritual aspects of life in all spheres. As a complete way of life, the separation of Church and State and the secularisation process which had deeply effected Christianity in the Middle Ages, was never a problem to Islam and the Muslims. However fear of a loss of influence by the Ulama following upon the Christian separation of Church and State, led to the confinement of knowledge purely to religious rites, laws and duties. With that began the decline of Islamic progressive civilisation, and the break-up and subjugation of the Muslim World.

## Role of Religion

From even this cursory review of the realities that have taken place in different societies, we should find that religion has a very pertinent role to play. Religion should never be regarded as simply the rituals which affect people only at the individual level. Religion which seeks truth to establish justice in all aspects of societal life should be regarded as beneficial to society. It is religion which acts as the anchor or underlying principles that govern not only the physical and material well-being but also the spiritual growth and upliftment of man. It is religion that steers people towards a more balanced life. It is also religion that provides true guidance and the strongest motivation towards achieving a more fruitful and meaningful life.

The issue at hand is to find out the way and means of how a nation can produce a people or society that has

as its core the deep sense of religious consciousness, committed to the highest standards of ethical and moral values and yet is most progressive, industrious, dynamic and dedicated towards advancement and progress. This is indeed very necessary and pertinent because we can easily achieve material progress by physical planning and development. But, the stark truth is that all the material wealth that we have accumulated can be completely wiped out if we do not have the morally right set of values among the people who manage them. We have repeatedly seen this happening at the individual and family levels; we have also read in history about the fall of empires for invariably the same reason. And we are seeing today the destruction of many civilisations.

Secondly, we have to be conscious of the need for a balanced and integrated development in the sense that planning and development should incorporate the need for spiritual upliftment right from the start and not to leave such ingredient at the end. We have so far completely ignored this aspect of development especially during the initial planning stage. If we include them it is only as an afterthought.

Thirdly, it is essential to realise that in the past we have concentrated almost entirely on physical development. Of late, we have been incorporating some aspects of human development in the form mainly of non-spiritual human resource development. What is most pertinent is that there is a great difference between human resource development and human development. The former involves matching of the demand for

different categories and skill levels of manpower with the supply so that we do not face acute mismatch in terms of numbers as well as categories and skills. Human development entails the kinds of education, training, environment, and the like, that are necessary to develop all the potentials of the human individual in both body and soul, that is, his dual nature. This aspect of development has not been given sufficient attention. It is no surprise, therefore, that we are faced with numerous human problems. As the Holy Qur'an puts it:

“Mischief has appeared on land and sea because of (the deed) that the hands of men have earned. That (Allah) may give them a taste of some of their deeds: in order that they may turn back (from Evil).” [al-Rum (30): 41].

From the above verse of the Holy Qur'an, we should realise that we are completely responsible for all the mischief that has appeared on this earth as well as on the whole environment. This mischief is the result of our own proclivity for evil. After all, the result of evil cannot be other than evil. But Allah will restore the balance in the end by purging and purifying those that break His Harmony and Law. We are witnessing some of these today.

This meeting of the Muslim and Christian minds should serve to correct not only the distorted view each has of the other but to bring back religion to its proper perspective in the scheme of things.

## ***BRITISH PRIME MINISTER VISITS MALAYSIA***

**Speech by the Prime Minister at the dinner in honour of Mr John Major on 21 September**

On behalf of the Malaysian government, and on my wife's and my own behalf, I bid you and Mrs Major as well as members of your delegation a very warm welcome to Malaysia. I hope your presence here today brings pleasant memories of your previous visits to Kuala Lumpur.

I am pleased that bilateral relations between Malaysia and Britain have remained close and cordial. Links that were established since the colonial days have over the years, been nurtured and expanded into a network of interaction between our countries, encompassing cooperation in the fields of education, trade and investment, tourism as well as defence.

### **Free Trade**

As for trade and investment, I am happy that two-way trade between Malaysia and Britain had registered a 10 percent increase in 1992 despite prolonged economic recession globally. In Malaysia we still enjoy economic growth and this is achieved not only through pragmatic economic policies and hard work, but because of free trade and the still largely unrestricted access to world markets for our exports. The importance and value of the early conclusion of the Uruguay Round is therefore all the more compelling, not only for Malaysia, but also for Britain and other trading nations. Britain is a leading member of the European Community (EC) and I hope that you will influence the EC towards a successful and early conclusion of those negotiations before the end of this year.

The British private sector has always been active in Malaysia. I believe that their interest and participation in the Malaysian economy will be a catalyst for the continued expansion of our bilateral cooperation. Moreover, as Malaysia undertakes further industrialisation, new opportunities will also be created for economic cooperation between us. Lower Malaysian cost will contribute towards the competitiveness of British products, as of course it has contributed towards the products of other countries.

I understand that tomorrow, you will be visiting our national car factory. I am told that our Proton cars are popular in Britain and with the introduction of our new Proton models we hope to secure a bigger slice of the British car market. We will be producing more new models and new makes and we hope the British market will accept them. I would also like to invite British companies to avail themselves of the facilities in our offshore financial centre in Labuan. I am gratified to know that when this facility was launched in London in February this year, the response was very encouraging.

### **Growth and Development**

As you are aware, we have just commemorated our 36th year of independence. Being a young nation, Malaysia's future lies with its youth and children. We cannot over-emphasise the importance of education to maintain and sustain the country's growth and development. Education has always been a strong component in our bilateral relations with Britain and there are



*British Prime Minister John Major and his wife Norma Major were granted an audience by the Yang di-Pertuan Agong and Raja Permaisuri Agong.*

currently more than 10,000 Malaysian students pursuing their studies in your country. Malaysia is grateful that British institutes of higher learning have been able to accommodate this large number of Malaysian students but the progressively higher cost of education in Britain requires new initiatives. In this context, the 'twinning' of British universities and colleges with Malaysian counterparts is indeed a partial way out. We look to other ways to continue our educational cooperation without too high a cost for Malaysia.

Given the healthy state of relations, let us focus our attention on issues and problems elsewhere; where we

can individually as well as collectively, contribute to international peace and stability. Both our countries have deployed soldiers as well as civilians to various troubled parts of the world in support of United Nations peace-keeping activities. We have also jointly, through the Commonwealth in particular, encouraged the dismantling of apartheid in South Africa and its transition to a democratic, united and non-racial state. Britain is in a unique position to play a positive role in influencing events in the rapidly changing international political environment today.

## Bosnian Issue

In this context let me turn to an urgent issue that weighs heavily on our minds. I refer to the ethnic cleansing in Bosnia-Herzegovina. Bosnia-Herzegovina is at Europe's very own doorstep. This brutal conflict and crisis in the post Cold War period expose the limitations of European political cooperation as well as shame the vaunted Western advocacy of democracy, justice and human rights. I sometimes wonder if I can ever adequately express the extent of Malaysia's anguish and distress at the continued genocide and ethnic-cleansing conducted by the Serbs against the Bosnian Muslims. One story is worth recounting. It is the story that caused a staff member of the US State Department to resign in protest over the passivity of U.S. policy in Bosnia. It is the story of how a six year old child was repeatedly raped by Serbs in front of her mother, and the mother was not allowed to help her child for two days until she died. What kind of people are we to accept this kind of behaviour without raising a finger to prevent its recurrence. Yet this is not the sole instance. This is being repeated hundreds of times as Serbs, and now Croats, expand their territories by force of arms.

While Malaysia can understand Britain's concern that recourse to large-scale air strikes might jeopardise the United Nations humanitarian efforts and could escalate the fighting in Bosnia as well as precipitate retaliation upon British and other UN soldiers, our heart cries out to the tragedy of an entire race being wiped out in total disregard for even elementary decency. Malaysians may be once again over-reacting. But we cannot accept that it is right and democratic to sit by

and watch while such brutish acts are committed.

May I take this opportunity to appeal to you, Mr Prime Minister, to reconsider Britain's position before the situation in Bosnia-Herzegovina is forever cemented in history as the blackest catastrophe of the modern world and a dark page in the annals of Europe and European civilisation. Given the British tradition of upholding respect for the rule of law and principles of international relations as well as of decisiveness, we hope and trust that your leadership in Britain and among the EC would bring influence to bear in meeting the challenge and putting an end to this ongoing holocaust. Eloquent speeches, noble declarations and appeals are not enough. There must be political will translated into resolute and credible action. Already there have been several threats made against the Serbs, but when they arrogantly ignored the threats, the Europeans backed down. Only action now will correct this loss of credibility. You are sending the wrong signals to certain countries east of Yugoslavia, countries with a past history of violent acquisition of other peoples' territories.

Before concluding, I wish to register my observation of the flurry of activities involving significant visits from Britain to Malaysia in the last couple of months. The momentum in both directions will continue till the end of the year and culminate with the state visit of the Yang di-Pertuan Agong to Britain in November. They are indeed a reflection of the healthy and positive state of our relations. It is my sincere hope that the existing strong framework of cooperation would be continuously developed between our two countries.

## ***FORMATION OF THE TRANSITIONAL EXECUTIVE COUNCIL AND THE LIFTING OF TRADE AND ECONOMIC SANCTIONS AGAINST SOUTH AFRICA***

**Statement by Datuk Abdullah bin Haji Ahmad Badawi, Minister of Foreign Affairs in Kuala Lumpur on 24 September**

Malaysia welcomes the passage of the bill by the South Africa Parliament on the formation of the Transitional Executive Council (TEC). With this development and the agreement to hold elections in April 1994, the final stage towards the irreversible transition to a democratic, united and non-racial South Africa has at last been reached.

In line with the decision of the Commonwealth Heads of Government Meeting (CHOGM) in Harare in October 1991, and the announcement by the African National Congress (ANC) Malaysia will lift trade and economic sanctions, against South Africa with immediate effect. With the lifting of these sanctions, mem-

bers of the private sector of the two countries are now free to enter into trade and economic relations with South Africa.

Malaysia also wishes to announce that it will take immediate steps to establish diplomatic relations at ambassadorial level with South Africa in the interest of promoting and enhancing mutually beneficial relations, between the two countries.

In welcoming South Africa's entry into the family of nations, Malaysia wishes to express its readiness to cooperate with South Africa in its efforts to uplift the social and economic conditions of its people.

## ***NEW CONSTITUTION OF CAMBODIA***

### **Statement by Ministry of Foreign Affairs on the new constitution of Cambodia on 25 September**

The Government of Malaysia welcomes the successful adoption of a new constitution for Cambodia. The smooth promulgation and adoption of the constitution has demonstrated clearly the courage and determination of the Cambodian people to achieve durable peace, national reconciliation and development. In this connection, the visionary leadership and farsighted wisdom of His Majesty King Norodom Sihanouk Varman has been crucial in this democratic process. Malaysia will support His Majesty and the Cambodian Government's continued efforts to bring long term

peace and stability in Cambodia. On this historic occasion, the Malaysian people share with the Cambodian people the joy of their momentous success.

Malaysia and Cambodia have for a long time enjoyed close traditional ties. Both countries can work together in building a stronger bond of friendship and cooperation towards promoting peace and stability in the region. Malaysia as a close neighbour of Cambodia will continue to assist Cambodia together with the rest of the international community in the rehabilitation, reconstruction and development of the country.

***STATEMENTS MADE OVERSEAS***

## ***VISIT TO THAILAND BY PRIME MINISTER***

**Speech by the Prime Minister at the dinner hosted by Mr Chuan Leekpai,  
Prime Minister of Thailand on 19 August 1993**

May I express my sincere appreciation to Your Excellency and to the Government of Thailand for the warm welcome and generous hospitality accorded to me and my delegation. It is a great pleasure for me to be in Bangkok, a city which remains always vibrant and enchanting. The continuously changing Bangkok skyline is a reflection of the remarkable economic progress that Thailand has been achieving.

### **Good Relation**

I certainly welcome this opportunity to visit Thailand and meet your Excellency again, having had the privilege of playing host to you and members of your delegation in Kuala Lumpur last January. This visit will provide me with the opportunity to exchange views with you on important subjects of mutual interest to both our countries. We had very good discussions in Kuala Lumpur. We have again had very fruitful consultations and exchange of views earlier today. I look forward to more consultations between the two sides during the course of their visit in the common effort to expand relations between our two neighbourly countries.

When we met some seven months ago, you and I noted with profound satisfaction the excellent cooperation between Malaysia and Thailand in a wide range of fields. But we also agreed that more could be done to enhance our bilateral cooperation. The broad areas of cooperation under the purview of the Joint Commission and the General Border Committee are generally going on very well. In many instances they manifest the

trust and confidence Malaysia and Thailand place in each other. They are a product of long-standing friendship, built upon the deep-rooted spirit of good neighbourliness. We do, however, encounter problems in our relations off and on. But I am confident that we can overcome those problems, relying upon the same spirit of friendship and good neighbourliness that has guided us in our relations in the past.

### **Participation of the Private Sector**

During our discussions last January, we agreed that more efforts should be undertaken on both sides to tap the full potential of trade and other economic opportunities between our two countries and between us and other countries. For this purpose, I have invited some prominent Malaysian entrepreneurs and businessmen to join me on this visit. Their presence in my delegation is symbolic of the important role the private sector can play in complementing the efforts of the two Governments to enhance bilateral economic cooperation between our two countries. I am confident that we can achieve a more constructive and mutually rewarding cooperation if the Malaysian and Thai private sectors were to focus on the numerous opportunities for trade, investment and tourism that exist in and between our countries, as well as in exploring joint ventures in other parts of the world.

It is certainly my hope that private sector cooperation would develop fully into an ASEAN-wide phenomenon so as to enhance intra-ASEAN Trade and help expedite the realisation of ASEAN Free Trade

Area (AFTA). In this regard, both the Government and private sectors have to play equally important roles in developing a strong sense of regional purpose so that AFTA could be sooner realised. Intra-ASEAN trade is expanding. AFTA could certainly help accelerate this trend. Malaysia and Thai entrepreneurs and businessmen could contribute immensely to this process.

### **Triangular Partnership**

I am happy that Indonesia, Malaysia and Thailand have agreed to cooperate in developing a sub-regional growth area involving parts of the three countries. A Tripartite Ministerial Meeting held in Langkawi last month is a clear manifestation of our common desire to translate quickly the idea into practical reality. I am confident that the Indonesia-Malaysia-Thailand Growth Triangle (IMTGT) would bring about tremendous benefits to all the three countries. But it is crucial that besides the commitment of the three governments, there should also be the active participation and involvement of the private sectors of the three countries in order that this triangular partnership will work well and succeed.

I also wish to express my thanks to Thailand for the support given to the East Asian Economic Caucus (EAEC). It is indeed gratifying that ASEAN has now achieved consensus on the EAEC. ASEAN has once again demonstrated its ability to address an important issue in a pragmatic manner. Others had expected ASEAN to come up with the practical solutions and ASEAN has done so. It is now up to the East Asian countries to come to agreement on how EAEC should progress. We should now be able to look forward to the convening of the inaugural meeting of EAEC in the very near future.

### **Regional Stability**

Malaysia has always believed that a stable and prosperous region would be crucial to its own stability and prosperity. Therefore, we welcome the positive developments in Indochina. Malaysia, like Thailand, sees the need to cooperate with our neighbours in Indochina so as to enable them to achieve a higher level of economic development. We have therefore embarked on modest cooperation programmes for these countries. But our resources are quite limited. We may not be able to fulfill some of the needs of those countries. It would be worthwhile for Malaysia and Thailand to work together, possible even in partnership with the other ASEAN countries, to coordinate our technical cooperation programmes vis-a-vis these three countries to ensure optimisation of resources and results.

General elections have been held successfully in Cambodia under the supervision of UNTAC. We should all be encouraged by the process of national reconciliation taking place under the leadership of Prince Norodom Sihanouk and wish him success in his efforts. However, I believe the Prince and his compatriots need the strong support of the international community in their effort to rebuild their country and revive the spirit and potential of the Cambodian people. The United Nations must continue to play a role in ensuring peace and stability as well as helping to accelerate economic reconstruction in Cambodia.

### **Bosnian Problem**

While the conflict in Cambodia has come to a positive settlement, other parts of the world continue to suffer the ravages of war and political turmoil. We cannot ignore the plight of the Bosnians. There re-

mains little political commitment among those who are directly concerned to adopt concrete measures to halt the hostilities and ensure just and lasting peace in Bosnia-Herzegovina. Malaysia is working actively with other countries to help the Bosnians defend their lives, protect their rights and keep their homeland. We believe that more serious efforts have to be done to save Bosnia-Herzegovina and its people from disintegration and total destruction.

I view the tradition of regular exchanges of visits

between the prime ministers, ministers, senior officials and members of the private sectors of Malaysia and Thailand as important for the promotion of bilateral relations and cooperation. Such exchanges provide us the opportunity to exchange views, explore fresh ideas and identify new areas of cooperation, not only in the bilateral context, but also in the regional and international contexts. They have proven to be successful in resolving issues and problems as well as in enhancing cooperation in many areas. I look forward to more of these exchanges with you.

## ***SITUATION IN BOSNIA-HERZEGOVINA***

**Statement by Mr M Redzuan Kushairi, Charge D' Affaires A I of Malaysia at the Security Council in New York on 23 August**

Allow me at the outset to join the previous speakers in extending my delegation's congratulations to you as President of the Security Council for the month of August. I would also like to take this opportunity to express our appreciation to you for the recent initiative you have taken to bring about greater transparency in the work of the Council. We are also encouraged by your commitment to have more consultations with the general membership from time to time on matters relating to the work of the Council. All this is a positive response to the wishes of the wider membership and in line with the on-going reforms of the United Nations.

As an active member of the Non-Aligned Movement and the OIC Contact Group on Bosnia-Herzegovina, Malaysia fully supports the draft resolution before the Council. The Malaysian delegation commends the Non-aligned Caucus for having played a constructive role in the Council on Bosnia-Herzegovina.

### **Urgent Issues**

The NAM Caucus initiated this draft resolution some 3-4 weeks ago, and requested urgent consideration by the Council because of the deteriorating situation in Bosnia-Herzegovina and the critical stage of the peace negotiations in Geneva. The Malaysian delegation regrets the considerable time taken before the Council could agree to hold a formal meeting on this extremely urgent issue. This is a very serious matter especially when the Council's record on Bosnia-Herzegovina has been far from satisfactory. The

council has not lived up to its full responsibility under Article 24 of the Charter while Bosnia-Herzegovina is denied its inherent right to individual or collective self-defence under Article 51 of the Charter. We are afraid that this could have serious ramifications for the future that go beyond the conflict in Bosnia-Herzegovina.

There is really no reason why this draft resolution should not have been taken up earlier because it has only two main objectives which in the Malaysian delegation's view-point seem inconceivable for any member of the Council to object. First, it is aimed at bringing about a ceasefire and cessation of hostilities, a prerequisite for any serious, fair and meaningful peace negotiations. Secondly, it outlines the framework principles for the peace negotiation in accordance with the principles of international law, the U.N. Charter and the London Peace Accords. It should not be portrayed as a move at interfering in the negotiating process but, on the contrary, to assist the peace mediators and the parties involved in the negotiations. I should add that there are also a number of relevant Security Council resolutions, adopted under Chapter VII of the Charter, which must be adhered to by the negotiators as well as the mediators.

### **Call for Equity and Justice**

At the meeting of the Security Council on 29 June 1993 to consider the situation in Bosnia-Herzegovina, Malaysia had already warned about the danger of renewing a negotiating process that would lead to the abandonment of the Vance-Omen plan in favour of a

framework based on the Milosevic-Tudjman proposal to partition Bosnia-Herzegovina. In the first place, Malaysia has always maintained that diplomacy, no matter how creative, cannot secure a just and equitable peace without the threat of a counterforce from the UN Security Council against the aggressors. Those who believe otherwise are either dreamers or they actually subscribe to a policy of appeasement, couched in terms of circumstances and certain realities. The reports of the Co-Chairman of the Steering Committee of the International Conference on the former Yugoslavia contained in Documents S/26260 and S/26337 dated 6 August 1993 and 20 August 1993 have done little to assuage our fears that the mediators are pursuing peace at the expense of the victims of aggression and genocide - the Bosnian Muslims, and contrary to the principles of U.N. Charter, international law, the London Peace Accords and relevant U.N. Security Council resolutions. The peace plan forwarded by the mediators does not measure to the principles of equity and justice. It rewards Serbian aggression and genocide through ethnic cleansing. The legal standing of the mediators and the stand they have taken with regard to the peace plan are therefore in question. Malaysia believes that this is a very serious situation that must be fully deliberated by the Security Council and the General Assembly. It should also be considered by the International Court of Justice in the context of the current case being presented to it by the Government of the Republic of Bosnia-Herzegovina.

### **Aggression and Genocide**

The Malaysian delegation would also like to take this opportunity to appeal to the Council, pending the realization of this resolution, to implement promptly and fully the provisions of resolution 770 (1992) on humanitarian assistance and resolution 836 (1993) on the six UN safe areas in Bosnia-Herzegovina which allow for the use of all necessary means. The six UN safe areas should be made truly safe as envisaged in

resolution 836 (1993). The present conditions in the UN safe areas are not acceptable. In many ways they are worse than open prisons when their population numbering hundreds of thousands of innocent and helpless civilians, including women and children, are denied food and basic essential services and subjected to a camping of terror by Serbian forces. Air power must be brought to bear on those forces who are laying the siege and obstructing UN humanitarian relief supplies from reaching the victims.

In this connection, the Malaysian delegation is concerned over the remarks made by certain senior UNPROFOR officers who seemed so insensitive to the sufferings of the people in the UN safe areas whom by any decent interpretation continue to live under siege in the most inhumane conditions. If the Secretary-General for some reason is unable to act, the time has come for the Council to take charge of the situation and not allow loose remarks to be made by UN officials -- ironically the very people entrusted by the international community to protect the victims of aggression and genocide. On our part, the Malaysian government is making all necessary preparations to deploy as soon as possible our contingent as part of the UN peacekeepers in the designated UN safe areas in Bosnia-Herzegovina.

The situation in a number of civilian populated centres in Bosnia-Herzegovina such as Mostar and Brcko is also fast deteriorating. To save thousands of lives there, the Council should also consider designating these towns as UN safe areas. The UN should respond promptly and positively to the appeal made by the government of Bosnia-Herzegovina for the reopening of the Tuzla airport, larger and better equipped than Sarajevo airport, to facilitate humanitarian relief efforts. Airdrops should begin for the people of Mostar and in particular air power should be used if necessary to break the Bosnian Croat siege of Bosnian Muslim populated part of Mostar as provided in resolution 770 (1993).

## ***UNCTAD'S ASSISTANCE TO THE PALESTINIAN PEOPLE***

**Statement by Mr A Ganapathy, Deputy Permanent Representative, Permanent Mission of Malaysia,  
Geneva, on behalf of the Asian Group on Agenda Item No 8, on 21 September**

On behalf of the Asian Group, I would like to congratulate you on your election to preside over the deliberations of our Committee. May I also take this opportunity to congratulate the members of the Bureau on their well deserved election. I also wish to thank the UNCTAD Secretariat for the excellent documentation prepared for the First Part of the 40th Session of the Trade and Development Board and for its invaluable assistance to the Asian Group in the conduct of its meetings.

### **New Era of Peace**

A new era has dawned in Palestine with the signing of the historic peace accord for limited Palestinian autonomy in the Gaza Strip and the West Bank town of Jericho. This is a peace accord which marks the beginning of the end of pain and suffering that have characterised the lives of the Palestinian people for a century. The international community is hopeful that the breakthrough agreement will set the stage for a full reconciliation in the Middle East through the achievement of a just, lasting and comprehensive peace between the Arab states, the Palestinians and Israel.

We commend the Special Economic Unit of the UNCTAD Secretariat for the preparation of the report in document TD/B/40(1)8. The report takes a close look at the policies and practices affecting the Palestinian economy especially during the period June 1992 - May 1993. Developments in the economy during the

period under review reflected a deterioration in the economic and social situation as in recent years. We also note that restrictive measures have constrained the efforts of the Palestinian people to create an independent economy along with its requisite institutional framework.

### **Peace Accord**

The Middle East is on the threshold of a new era of peace. The international community which has for sometime been conscious of the need for urgent intervention to aid ailing Palestinian economic and social sectors should seize this historic occasion to help consolidate peace. The peace accord is a solid step in a region battered by conflicts for half a century and the international community has a responsibility to make it succeed. In this context, the United Nations has a major role to play in the revival of the economy. We welcome the establishment of a task force by the Secretary General of the United Nations to coordinate assistance to the Palestinian people. We are encouraged by the pledges of financial support from the developed countries.

We hope there will be extensive international participation in the social and economic development of the territories that have long languished on account of international neglect. The international community must assist materially and morally in the implementation of the accord.

We envisage UNCTAD would be an active partner in the overall UN effort to enable the embryonic entity to revive its economy. In this regard, the UNCTAD reports of the past 8 years should be consolidated to provide a comprehensive picture for action by UNCTAD in all areas of its competence.

We hope that the countries in the Middle East and other developing countries which have supported the Palestinian cause to assist the Palestinian leadership in the reconstruction of the fledgling entity.

## ***SEMINAR ON "MALAYSIA : YOUR PROFIT CENTRE IN ASIA "***

**Keynote address by the Minister of International Trade & Industry, Dato' Seri Rafidah Aziz at the Seminar in New York on 28 September**

A very good morning to all of you and a warm welcome to this seminar on "Malaysia" Your Profit Centre in Asia". I would first of all like to thank Mr Robert Driscoll, for sparing his precious time with us here this morning to chair the Seminar and Mr Eugene Pian, President of Semicon Tools Inc for agreeing to be our guest speaker today.

I was here in May last year addressing a similar seminar in this same hotel. To those of you who were present then, I hope that your participation in today's seminar will help to update you on some of the developments that have taken place in our country. To those of you who are not too familiar with Malaysia, I hope that this presentation can give you an insight into the business opportunities in Malaysia and induce you to come to Malaysia to see the country for yourself to assess its investment climate.

Malaysia is located in the rapidly expanding Pacific Rim which has one of the highest GDP growth rates in the world. While the major industrialised countries are experiencing slow economic growth or at best a modest recovery, countries in the Pacific Rim especially those in the East Asian region continue to enjoy strong growth. Real output of the group of countries in the Organisation for Economic Co-operation and Development (OECD) grew by a mere 1.5% in 1992 while growth in the East Asian region was 6.6%, with their economies, particularly those of ASEAN, continuing to experience sustained increases in consumption, invest-

ment and intra-regional trade. It is therefore logical that the United States should integrate itself more with the ASEAN economy. Malaysia, in this respect, will offer you an ideal springboard to the ASEAN and the Pacific Rim markets.

### **NAFTA**

I know many of you are now preoccupied with your region here, where the world's largest free trade area will be created with the coming into being of the North American Free Trade Agreement (NAFTA). The changes in tariffs, rules of origin, non-tariff barriers and new rules for NAFTA investors might tend to discriminate against exporters and investors from outside the NAFTA countries. I understand that Mexico will liberalise substantially its many restrictions on foreign investment. It is envisaged that investors particularly those from the US would consider Mexico as their production base because of its low wage rates, its proximity to US and other benefits which accrue from the Agreement. While NAFTA will create trade and investment opportunities here in this part of the world one should not, however, ignore the East Asian region. The strong economic growth and the potential for further growth will enhance opportunities for increased trade and investment in East Asia. The abundant resources, both natural and human, we have in our region would ensure that there are areas where we would continue to enjoy comparative and competitive advantage.

## Profitable Investment

At this point, I would like to emphasise that in Malaysia all the requirements for a successful business operation, which include pragmatic and consistent investment policies, developed infrastructure, are already in place. Therefore it would be in your interest as investors not to overlook Malaysia as a base for profitable investment as well as a gateway to the growing markets of the Asian Pacific region.

In addition, Malaysia practices an open and outward-oriented trade regime. For this reason we are anxious to see the successful conclusion of Uruguay Round of Trade negotiations. We are concerned that any more delays in the negotiations will lead to more protectionist measures, tariff and non-tariff, in the world trading system. We do realise the importance of a strengthened multilateral trade order. Malaysia had already made offers which would allow for market opening measures. We have also made concessions in the services sector. With the conclusion of the Uruguay Round, more trading and investment opportunities would be generated and you are welcome to be our business partners.

Indeed the East Asian region is an attractive market and any investors seeking expansion in trade and investment should take a serious look at its growth potentials.

According to the World Investment Report 1993 (UNCTAD publication) there has been a drop in foreign direct investment to the developed market economies in 1991 and 1992. However, global investment flows to developing countries increased to US\$40 billion in 1992 from US\$31 billion in 1990. The bulk of this increase was accounted for by two regions. East and South East Asia accounted for US\$21 billion of the

total investment in 1992 and Latin America and the Caribbean for US\$16 billion. The ASEAN countries were also important recipients of such investment flows. In 1992, US investments in ASEAN had increased to US\$3.5 billion from the 1991 figure of US\$1.8 billion.

## Newly Opened Economies

This strong investment in the Asia Pacific region can be attributed to the economic growth of several newly industrialising economies (NIEs), strong performances registered by the ASEAN countries and the emergence of newly opened economies such as China and Vietnam.

Malaysia is strategically located in this region of rapid growth with access to the growing markets of ASEAN and the Asia Pacific. Investors which establish manufacturing operations in Malaysia have found the country to be an ideal gateway to these markets. Malaysia is thus a good location to spearhead trade and investment in the region. Malaysia's strong domestic economy is primarily fuelled by private investment in the manufacturing sector. The good performance of its vibrant economic sectors should be attractive to investors.

## Strong Economic Growth

Allow me at this stage to update you with the recent developments that have taken place in Malaysia. In 1992, the Malaysian economy continued to record another year of strong growth. GDP growth was maintained at a creditable rate of 8% compared with 8.7% in 1991. Per capita income increased further by 11% to US\$2,922 in 1992 (or RM 7,541). By the end of this year per capita income is expected to be US\$3,235 (or RM8,281)

The overall performance of the manufacturing sector remained strong in 1992 with an output growth of 10.5%, thereby maintaining the double digit growth rate achieved since 1986. The sector also continued to be the dominant sector in the Malaysian economy, with its share of GDP rising to 28.8% in 1992. In the same year, exports of manufactured goods attained a value of US\$27.9 billion (RM 71.9 billion) and this constituted about 69.8% of the country's total exports.

After six consecutive years of sustained and rapid growth, the economic outlook for the Malaysian economy in 1993 continues to remain bright. A growth rate of 8% for 1993 is predicted.

In the second quarter of 1993 Malaysia had achieved a growth rate of 10.4%. In fact, for the 1990s the Malaysian economy has been targeted to grow at an average rate of 7% per annum. This figure is not overly optimistic given the strong fundamentals of the Malaysian economy. During the past 20 years, between 1971 and 1990, the Malaysian economy actually grew at an average rate of 6.7% per annum. 1993 will be a year of consolidation for the Malaysian economy. The Government will take stock and map out strategies to overcome challenges associated with the prolonged rapid growth. Amidst the slow global revival and thus unpredictable international environment, various adjustments will have to be made in order to ensure that Malaysia remains a competitive manufacturing base.

### Attractive Investment Climate

Policy measures formulated in Malaysia have been and will always be, to provide a conducive environment within which the private sector's endeavours can succeed. As such, there exists in Malaysia not only a conducive but a highly attractive investment climate. Investors' confidence in Malaysia is reflected by the sharp increases in capital investment especially in the

manufacturing industries. This is particularly so after the liberalization of the country's foreign investment policies in late 1986.

In 1987, proposed capital investment in manufacturing projects approved amounted to US\$1.52 billion (or RM 3.93 billion). In 1988, it more than doubled to US\$3.52 billion (RM 9.10 billion). It peaked in 1991 at US\$ 11.95 billion (RM 30.82 billion). In 1992 it moderated to US\$10.78 billion (or RM27.8 billion).

For the first eight months of this year, 445 manufacturing projects were approved with a total proposed capital investment of US\$2.26 billion (or RM 5.84 billion). In the corresponding period last year, a total of 576 projects with a proposed capital investment of US\$7.69 billion (or RM 19.83 billion) was approved.

There is certainly a falling off in foreign investment this year. During the period January to August 1993, foreign investment dropped to US\$1.05 billion (RM 2.72 billion) compared with US\$5.86 billion (RM 15.11 billion) for the same period in 1992. This drop in foreign investment is substantially attributed to the approvals given to a number of very capital intensive projects in 1992 as well as to the general showdown in the global economy. Major investors such as Japan, the US and the EC which are facing slow economic growth in their respective countries have cut back on their offshore investments. This bearish trend is therefore by no means a reflection of the deterioration in the investment climate of Malaysia. The country is still a very attractive location for investment.

### US Investment

The United States is one of Malaysia's major sources of investments and its importance as an investor has grown particularly since 1988. From an average of about 19 per year during the period 1980 - 1987, the

number of approved manufacturing projects with American interests more than double to 40 per year during the period 1988 - 1992.

In 1992, a total of 41 projects from US with a proposed capital investment of US\$1,278.6 million (RM 3,298.7 million) was approved. For the first eight months of this year, 17 projects with American interests were approved with a proposed total capital investment of US\$71.9 million (RM185.5 million). These projects accounted for 7.7% of the proposed total foreign investment in all the projects approved during the same period. This made the USA the sixth largest foreign investor in Malaysia after Japan, United Kingdom, Singapore, Taiwan and Denmark.

However, it should be noted that the actual investment from the US could be higher as quite a substantial amount of investment from American companies are known to have been channelled through their subsidiaries or affiliates in third countries. According to the latest survey of US investment in Malaysia conducted by the US Embassy in Kuala Lumpur the stock of total assets of US owned or affiliated manufacturing, service and petroleum companies as at end of June 1992 amounted to US\$ 7 billion (RM 18 billion). It should be noted that in this survey only about half (120 of the nearly 200) of the firms contacted responded. Thus the actual amount of US investment in the country should be much higher. In fact, according to the same survey, US investment in Malaysia nearly doubled in the past four years. Investment in manufacturing outside of the traditional microelectronics sector posted a 40% annual growth rate for the 4-year period, 1989 and 1991.

### High Technology

Malaysia with its package of positive pull factors has and will continue to be highly attractive to foreign investment particularly in the area of high technology

industries. According to the World Competitiveness Report 1993, prepared by the Geneva-based World Economic Forum, Malaysia retained its ranking as the fourth most competitive country among industrialising countries after Singapore, Hong Kong and Taiwan. According to the Report, Malaysia's strong points are its domestic economic strength, financial facilities, international trade policies, stable Government and management development.

I shall now elaborate on the policies and incentives, which are relevant to investment in the Malaysian manufacturing sector as well as to inform you of some new strategies which we are adopting to improve the country's competitiveness as a profitable manufacturing base.

#### 1. *POLICIES ON FOREIGN INVESTMENT AND EMPLOYMENT OF EXPATRIATES*

I will not elaborate in detail on our policies on foreign investment in Malaysia as these are explained in the policy book which you have before you. Suffice for me to say, however that our foreign investment policies are liberal and we do allow the employment of expatriates in manufacturing industries.

We allow foreign investors to own up to 100% of the equity in projects where the products manufactured are substantially for exports. Foreign companies are allowed to employ expatriates where there are shortages of trained Malaysians. In addition, key posts, which can be held indefinitely by the expatriates, may also be granted.

#### II. *TAX INCENTIVES*

Malaysia offers a wide range of tax incentives which are designed to provide relief from corporate income tax which presently is at a flat rate of 34%.

Recently, we have made some changes to the tax incentive schemes. The keyword, in our strategy to be more competitive, is 'selectivity'. Today, we select the industrial sectors which are to be encouraged; therefore, the products which qualify for incentives are constantly being reviewed to ensure the growth of the types of industries that we now wish to attract. Our new strategy emphasises the development of capital-and-technology-intensive industries.

We have also formulated new criteria for the award of incentives to manufacturing projects and they will only merit the grant of such incentives if they can meet the specified requirements pertaining to value-added, local material content, level of technology and linkages. We are aware that with these changes, our tax incentives may be less attractive than before.

Nevertheless, we are confident that Malaysia is still an attractive location for investment, based on our good track record of political stability, consistent policies which are conducive for investors and the availability of natural resources. Moreover, the Government is seriously committed to the task of attracting technology and capital intensive industries into the manufacturing sector.

### III. *HUMAN RESOURCE DEVELOPMENT*

The shift towards high-tech industries leads to an increasing demand for specialised skills, particularly of scientists, engineers and technical personnel. Malaysia must provide an adequate supply of the appropriate types of manpower and skills to support the new needs for the next phase of her industrial development.

Currently, we are experiencing some labour constraints. The supply of labour is getting tight as our unemployment rate has now gone down to as low as 3.3%.

Given the increasing demand for skilled workers as we shift into the higher technology industries the government is taking various measures to improve on the situation. The number of industrial training institutes in the country will be increased.

An important measure to increase the supply of skilled workers is the recent establishment of the Human Resources Development Fund. This Fund is to encourage the private companies to undertake more training of their workers. Under this Fund, which became effective on January 1, 1993, manufacturing companies employing 50 workers or more, are required to make a mandatory contribution amounting to 1% of their payroll to the Fund. Through this Fund, financial assistance will be given to employers to defray the costs incurred in the training or retraining of their employees.

To-date, more than 3,000 employers in the manufacturing sector have registered with the Fund. On its part, the Government has contributed US\$18.9 million (or RM 48.9 million) to be used in the first 3 years of the Fund's operations.

### IV. *R & D IN MANUFACTURING*

Malaysia's sustained development requires a strong foundation in science and technology and R&D. To enhance its competitiveness, Malaysia will focus on building its capability in selected technologies, which include automated manufacturing technology, biotechnology, information techno-

logy, electronics, communications and advanced materials. Various incentives are made available to encourage the establishment of industry-based "R&D" as well as new technology-based firms.

## V. *INFRASTRUCTURE DEVELOPMENT*

Malaysia will continue to upgrade its infrastructural facilities such as telecommunications, transport and public utilities. Under the Sixth Malaysia Plan, US\$10 billion (or RM 25.8 billion) has been allocated to finance infrastructure development. These programmes include the improvement of the major inter-urban road network and upgrading of road systems within the urban areas, modernisation of the railway system, expansion of maritime and air transportation and postal facilities. Those of you who have been following recent developments in Malaysia would have known that we are building another major international airport at Sepang which is near our capital city, Kuala Lumpur.

## VI. *BILATERAL ECONOMIC RELATIONS BETWEEN US AND MALAYSIA*

Now, I would like to touch upon the trade relations between US and Malaysia as well as to make some observations on US investment in Malaysia.

## VII. *TRADE*

The US is Malaysia's third largest trading partner and Malaysian exports to the US in 1992 amounted to nearly US\$7,470 million (RM 19,272.7 million). An important feature of Malaysia's exports to the US is that manufactures constitute a very large proportion i.e. 94 per cent. The main items exported to the US were electrical and electronic products which constituted about 56% of the

total exports to the US for the year 1992 (US\$4,168 million or RM 10,753.2 million). Imports from US comprised mainly electronic components and parts. Other imports include chemicals, transport equipment, scientific instruments, power generating machinery and general industrial machinery.

The fact that a large proportion of Malaysia's exports to the US are manufactured products indicates the capability of Malaysia in exporting a wide range of quality manufactured products at competitive prices.

It may be of interest for you to note that Malaysia has progressed from a low ranking 40th largest exporter and importer nation in 1980 to the 23rd largest exporter and 22nd largest importer in the world in 1992. In absolute terms, Malaysia's exports grew from US\$10.9 billion (RM 28.2 billion) in 1980 to US\$40.1 billion (RM 103.5 billion) in 1992 while imports increased from US\$9.1 billion (RM 23.5 billion) to US\$39.4 billion (RM 101.7 billion) during the same period. US with its own huge market may not view this as a significant market. However, Malaysia being strategically located at the centre of the growing ASEAN market with increasing purchasing powers is attractive. In 1992, total export of the ASEAN economies amounted to US\$186.5 billion. Aggregate exports increased by 11.2% in 1992 while growth in imports was 7.6%.

To promote regional cooperation, ASEAN had formalised the Asean Free Trade Area (AFTA) within a fifteen year time frame i.e. by the year 2008. The Common Effective Preferential Tariff (CEPT) scheme is a mechanism to achieve AFTA. Under the CEPT scheme, ASEAN internal tariff will be reduced to between 0% and 5% by the year 2008. AFTA will be GATT consistent and will

enhance trade and investment that will benefit the international trading community. Therefore, foreign investors and trading companies should consider Malaysia as a location for investment not only from the point of view of the country's favourable investment environment but also from the regional advantage that can be derived from its strategic location within the region.

### VIII. INVESTMENTS

While the US is already a significant investor in Malaysia, nevertheless, the Malaysian Government would like to encourage more Americans to invest in Malaysia. As the US is one of the leading industrial nations today with a competitive edge in several areas of industry, US technology and know-how can be profitably applied to Malaysian resources for our mutual benefit. Based on the Malaysian experience, US companies have generally invested in the more capital-intensive and technology sophisticated industries. US companies in Malaysia have also prioritised human resource development, thus contributing to the skills development in Malaysia. For these reasons, US investment in Malaysia is greatly welcome.

At this point, I would like to emphasise that Malaysia is keen to attract not only large US companies to invest in Malaysia but also the small and medium enterprises (SMEs). Today, one of the major threats facing the SMEs of the US is the cheaper imports of

goods especially those from the Newly Industrialised Economies (NIEs). To compete effectively in your home-market, these SMEs may need to establish off-shore manufacturing operations in relatively lower-cost producing countries. Malaysia would provide an ideal choice, especially for value-added products where we have an edge in terms of high productivity and trainability of our workers.

As such, I would like to extend a special invitation to the SMEs from the US to seriously consider Malaysia as your production base. I would also like to mention that while promoting foreign investments, we are also encouraging greater local participation in the manufacturing sector. Thus I would suggest that you set up joint-ventures with our Malaysians. I believe that through such joint-ventures, you will have access to the knowledge of the local environment and will facilitate the entry of your products to the Malaysian market as well as that of the region.

Let me reiterate that Malaysia welcomes your investment and I believe it is a place where your business ventures will be profitable. It may be of interest for you to note that Malaysia Airlines offers various tour packages to Malaysia at very attractive rates. For instance an 11 day tour from Los Angeles to Malaysia costs only US\$1,595 (This package is inclusive of a return economy airfare and accommodation in Kuala Lumpur, Malacca Penang and Langkawi Island). So do take advantage of this offer and come and visit us to see for yourselves the business opportunities we have for you.

# ***WORLD BANK AND IMF ANNUAL MEETINGS***

**Statement by Minister of Finance, Datuk Seri Anwar Ibrahim at the meetings in Washington D C, 28 - 30 September**

## **Economic Recession**

When we met here last year, the world economy was under the long shadow of recession. Although there were expectations of robust economic growth in East Asia and a mild recovery in the United States, these had been offset by the worsening situation in some OECD countries. Indeed, notwithstanding the problems of the developing countries, the main responsibility for strengthening world economic growth now lies with the industrialised countries. As long as the industrialised countries fail to pursue more balanced macro-economic policies they will be a major destabilizing force in the world economy.

Economic recession has raised the spectre of massive unemployment in the industrialised countries to an unprecedented level. Massive unemployment will be a fertile ground for growing protectionist interests, racism and strong anti-foreign sentiments. We are, therefore, anxious to see the pledges made by the Group of Seven, to increase macro-economic policy co-ordination among themselves to expedite economic recovery, implemented speedily and effectively.

## **East Asia Economic Resilience**

It has been recognised that the resilience of the East Asian economies in adopting appropriate macroeconomic-adjustment measures - privatization and general economic reforms - have been the foundation for sustaining economic growth with stability. Implementing these structural adjustment measures and appropri-

ate macro-economic stabilisation policies require some degree of persistence and courage. The conclusion of the Uruguay Round for trade liberalisation is essential for the growth of the world economy and crucial for the development process in the South. We all wish that the Uruguay Round be concluded by the end of this year and not delayed by any insistence on additions or changes in the Draft Agreement.

## **Debt Problems**

Many middle-and low-income countries which are making slow progress in their development efforts require not only markets for their exports but also continued support from the international community, in terms of financial and technical assistance, and the transfer of technology. We, therefore, welcome the establishment, earlier this year, of the Systemic Transformation Facility (STF) to help the urgent needs of countries in transition. While this effort is commendable, the Fund must ensure that the facility is also extended to all member countries experiencing similar difficulties. Equal opportunity for access to this facility should be the guiding principle.

We are also pleased to note the progress made towards resolving the debt problems of middle-income countries following the implementation of structural adjustment and reform programmes, with the support of the Fund and the World Bank. However, we are concerned that the debt situation of many low-income and a number of lower middle-income countries remain severe, despite concessional rescheduling terms offered

by the creditors. We suggest that the rescheduling terms be made more flexible, according to the debtor's capacity to pay. Creditors should also provide further debt reduction to a number of countries to help reduce their debt payments to manageable levels.

We note that during the last year there was a net increase in resource flows, much of which constituted private flows. However, these flows were concentrated among a small number of countries. The budget cuts from donor countries resulted in the reduction of Official Development Assistance, which is now stagnating at a level well below the internationally agreed target of 0.7 percent of donor GNP. Yet the necessity for aid is now even greater than ever before. We hope all members would strongly support the speedy ratification IDA-10. We are also equally concerned over the decision by the Fund to adopt the Purchasing Power Parity (PPP) concept for the purpose of aggregating individual country output. No developing country deserving of financial assistance should be disqualified simply on the basis of PPP income. We, therefore, urge for greater transparency in the use of the PPP concept.

### **Greater Accountability**

Ensuring the success and improving the development impact of the Bank's current projects and loans is as important as giving our new facilities. Thus, I would like to congratulate the Bank, in particular, the President, in initiating bold actions under the Wapenhans Report to improve the effectiveness of the Bank portfolio management and to ensure greater accountability by the Bank.

The Bank has continued to play a very important role in supporting developing countries moving towards market oriented economy. The Bank is again called to play its part for the people of Palestine and South Africa. With respect to Palestine, we need to

translate the peace agreement into a framework that would meet the hopes, ideals and aspirations of the Palestinian people.

We support the call for a successor to the Enhanced Structural Adjustment Facility (ESAF). The continued need for the Fund's concessional financing is clearly evident, not only to sustain ongoing programmes under ESAF, but also to support new reform efforts of low-income countries which have yet to benefit from ESAF and are currently in arrears with the Fund.

Finally, we also support the call for a modest allocation of Special Drawing Rights (SDRs) during the remainder of the Sixth Basic Period and a post-allocation redistribution of SDRs. This is to enable low-income developing countries to reach appropriate levels of international reserves to meet their liquidity requirements. Such an allocation will not be inflationary but will facilitate structural adjustment being undertaken by many developing countries.

### **Fair Treatment**

No one should dispute our common resolve towards achieving democracy, to honour human rights and to protect the environment. But, what is resented is a condescending approach to some countries preaching these ideals as a new kind of theology. We have also to accept the need to enhance and translate these ideals in all societies. But we have to accept a multitude of social, economic and political problems encountered by different countries with equal urgency. The continuing debates on aid conditionalities and structural adjustments show the extent of the resentment among many developing countries, and it is viewed as an attempt to impose a set of new beliefs. Some degree of flexibility is surely required in the design and timing of the implementation of adjustment policies. Similarly, countries should not feel inhibited to express their

views because of their near total dependence on the IMF and the World Bank.

Our concern with economic growth should not, however, lead us to forget that there is a deep seated and

abiding human concern with equity. Growth with equity can ensure the stability that we are all striving for. Our concern with growth must, therefore, be matched with a continuing concern with equity and distributive justice.

## ***MEETING OF THE MINISTERS OF FOREIGN AFFAIRS OF THE ORGANISATION OF THE ISLAMIC CONFERENCE (OIC)***

**Address by Minister of Foreign Affairs at the conference in New York on 29 September**

I am pleased to see you preside over our meeting today and I would like to take this opportunity to extend my country's deep appreciation to the fine job you have performed as Chairman of the conference of the Ministers of Foreign Affairs of the OIC countries. Allow me to also extend our appreciation to the Secretary-General of the OIC and his staff for their assistance in the convening of this meeting.

### **Common Concern**

Our meeting today provides a good opportunity for us to exchange views on the various items before the 48th General Assembly that are of interest to our countries individually, as well as, to the Islamic Ummah. Malaysia believes that the time has come for member countries to realise the potential strength of the OIC as an important Group in the United Nations. There are a number of important issues before the General Assembly this year, some of which clearly are of common concern to us all. In this regard, there is clearly a need for the Chairman and the OIC Secretariat to consider convening regular meetings from time to time during the course of this General Assembly to discuss various issues of concern to us in order to coordinate our positions.

The experience the Malaysian delegation had in working together with other OIC countries here in New York, at the 49th Human Rights Commission in Gene-

va and more recently at the Vienna World Conference on Human Rights on the issue of Bosnia-Herzegovina has convinced us that the OIC as a Group could play an important role in multilateral negotiations and conferences. At the time when many negotiations at the United Nations and other international fora are conducted along the lines of group negotiations, it is imperative for the OIC to develop the habit or culture of conducting regular consultations with a view to coordinating our positions. Such an approach in our view could also complement efforts at strengthening the process of consultation and coordination within the Non-Aligned Movement and the Group of 77, where most of us in the OIC are members.

### **Peace Accord**

Palestine and the question of a just and comprehensive peace in the Middle East have always been at the forefront of OIC agenda. Like many other OIC countries, Malaysia welcomes as a significant and historic event the Palestine-Israel accord on a declaration of principles regarding arrangement pertaining to self governing authority agreed between Israel and PLO and signed by PLO leader Yasser Arafat and Israeli Prime Minister Rabin on 10 September 1993. Malaysia considers the accord as a watershed event that would pave the way to a just and comprehensive solution to the Palestinian question and the Arab-Israeli conflict.

However, Malaysia recognises that there is a long and difficult road ahead. As such, it is particularly important that the OIC countries and the international community extend all forms of necessary support to the Palestinian people at this critical juncture in their history. In this regard, Malaysia would like to reiterate its full support to any initiative taken by the Palestinian leaders represented by the PLO to enable the Palestinian people to enjoy their full and legitimate rights, and obtain the return of the occupied territories including Al-Quds Al-Sharif.

### **Palestinian Interest**

The Malaysian delegation is aware of a proposal by certain delegations to introduce a so-called positive draft resolution on the Middle East. As a member of the United Nations and the OIC Committees on Palestine, my delegation would like to be guided by the Palestinian delegation, and in this connection, I would like to reiterate the proposal I made at the meeting of OIC Committee on Palestine last Monday for the Palestinian delegation to guide us on all issues and draft resolutions pertaining to Palestinian and Middle East questions. This is necessary in order to avoid confusion and prevent many of the traditional supporters of Palestine-Arab cause within the OIC and NAM from being misled into supporting initiatives taken by certain countries which have not received the consent of the Palestinian leadership and would not serve the interest of the Palestinian people at this juncture. We have to remind ourselves that the Arafat/Rabin accord is not the ultimate achievement of the Palestinian struggle. Any attempt to review the UN resolutions pertaining to the Arab/Israel issue and Palestinian question must be carefully studied even with suspicion as there are still problems ahead before the final and comprehensive settlement on this issue is attained.

### **Bosnian Problem**

The epic tragedy still unfolding in Bosnia-Herzegovina marks the most serious failure on the part of the United Nations, in particular the Security Council, in addressing a very serious issue of aggression and genocide, in the post Cold War period. The Security Council has repeatedly failed to fulfil its obligations under Article 24 of the Charter to take prompt and effective measures to restore peace in Bosnia-Herzegovina. The Council has repeatedly failed to implement its own Resolutions under Chapter VII in particular Resolution 770 on Humanitarian Assistance and Resolution 836 on UN safe areas, which allow for the use of all necessary measures. While the Bosnian government is being denied its inherent right to collective self-defence under Article 51 of the Charter, the international mediators, Lord Owen and Mr Stoltenberg have been applying unfair pressure on the government of Bosnia-Herzegovina to accept an unjust peace settlement which is against the principles of the UN Charter, the London Peace Accord and various relevant resolutions of the Security Council.

The tragedy still unfolding in Bosnia-Herzegovina is a result of the failure of the European leadership. Amongst the Permanent Five, Britain, France and Russia strongly opposed the lifting of the arms embargo to the Government of Bosnia-Herzegovina, a victim of Serbian aggression. At the same time, the Europeans are shying away from meeting aggression with force. Diplomacy without the back-up of a counter-force is a farce and we fear that the Geneva peace process only masks a European policy of appeasement. European leaders preach so much about the need for third world countries to respect human rights and democracy, yet they are now guilty of rewarding aggression and the heinous practice of ethnic cleansing committed by the

Serbs in Bosnia-Herzegovina. It is sad and tragic that at the dawn of 21st century, the Europeans are allowing the disintegration and ethnic cleansing. Clearly, other members of the international community like the OIC countries and members of NAM must be prepared to continue to press the United Nations to uphold the rule of law and put an end to genocide. Malaysia on its part is in the process of sending a contingent of 1,497 troops to UNPROFOR to assist in the implementation of Security Council resolution 836 on UN safe areas in Bosnia-Herzegovina. In addition, we are also making direct assistance to the Government of Bosnia-Herzegovina.

#### United Nation's Obligation

At this general Assembly, it is imperative for the OIC countries to work together with the delegation of Bosnia-Herzegovina to ensure that the item on the situation in Bosnia-Herzegovina remain on the top of its Agenda. At the same time, the general membership of the United Nations must send a clear and strong message to the Security Council that it must fulfil its obligation under article 24 of the Charter and restore peace in Bosnia-Herzegovina. Amongst others, the General Assembly should urge the Security Council to act under Chapter VII of the Charter:-

- demanding the Serbs forces to lift their siege of Sarajevo, other UN safe areas and besieged towns;
- demanding the Serbs to withdraw all heavy weapons and forces from these towns and for UNPROFOR to take over all areas vacated by Serbian forces;
- to fully implement resolution 770 on Humanitarian Assistance and Resolution 836 on UN safe areas;

- demand all parties to observe ceasefire concluded in previous agreements;
- to consider measures necessary to fulfil the provisional actions made by the International Court of Justice on September 30, 1993 and respond to the appeal by the Vienna World Conference on Human Rights to end the genocide in Bosnia-Herzegovina.

Malaysia has always feared that the Security Council's failure to stop the Serbian aggression in Bosnia-Herzegovina would encourage other aggressors to settle disputes and expand their territories through the use of force. Armenia has already taken the cue and for the last several months has committed continuous acts of aggression against Azerbaijan and occupied parts of the country. Our Organisation of which Azerbaijan is a member should give full support to Azerbaijan in pushing for UN action to secure the immediate cessation of hostilities and withdrawal of Armenian troops from Azerbaijani territories. Failure by Armenia to respect the international law and UN Charter should be met by the imposition of sanctions by the UN as well as other actions under Chapter VII of the Charter.

On the issue of crisis between the US, the UK and the Socialist People's Libyan Arab Jamahiriya, our view is there should not be an imposition of a comprehensive sanctions on Libya unilaterally by UK and US without going through the UN process. To our brothers in Libya we urge them to extend all possible cooperation to bring an end to this crisis.

The Malaysian delegation believes that the time has come for the OIC to consider not only specific conflict situations but also a broad range of subjects before the general Assembly. Two broad subjects which deserve our attention are human rights and development. As a member of the Commission on Human Rights, Malaysia recognises the need for in-

crease in international dialogue and cooperation to address the issues of human rights in all their aspects in an objective, balanced and non-selective manner. Human rights should be the concern of all nations, but the only way forward is through enhanced international cooperation and not acrimony. We believe that protection of human rights is enshrined in the teaching of Islam and Muslim countries through the OIC should play a constructive role in forging better international cooperation on human rights through the United Nations.

One of the main issues at this Assembly relating to human rights will be the question of the appointment of a High Commissioner on Human Rights. We believe that no Commissioner of Human Rights can be appointed until we have all agreed on what human rights is. We must be clear in our minds on what the Commissioner's role is going to be and what are his responsibilities. For example, what will be his role in Bosnia? Will he be allowed to investigate human rights situation with regard to the problem of xenophobia and racism in Europe and North America? The Malaysian delegation on our part will not be prejudging the issue. However, we would like to see adequate consultation, in a transparent manner, involving all UN members to examine the mandate of the High Commissioner before a decision is taken up by the General Assembly.

Listening to the various statements made so far in the General Debate at the Plenary, the Malaysian delegation is concerned over what appears to be a serious and basic divergence in approach between the

leaders of the South and those of the North on the importance of development and the need to revitalise international cooperation on development for the sake of the world economy, for peace and democracy.

Most if not all of the leaders from the South emphasised the importance of development if we want to see world economic recovery, lasting peace and continuing spread of democracy. They all called for a revitalisation of international development cooperation and for "An Agenda for Development" to complement "An Agenda for Peace". But most of the leaders of the North, including a number of prominent figures gave so much emphasis to the security aspects of international peace and failed to adequately address the development dimension of peace and progress. Development is often spoken in the context of sustainable development with clear emphasis on environment rather on our crucial struggle for development.

As such, the Malaysian delegation believes that there is need for the OIC countries to work along with other developing countries in NAM and G-77 and ensure that development and the promotion of international development cooperation be given priority consideration at this 48th General Assembly. The success of OIC cooperation with NAM through the OIC Contact Group and the NAM Caucus at the UN on Bosnia issue underscore the importance of cooperation. If OIC is to succeed in advancing in the interest of the UN, it is imperative that more meaningful and constructive cooperation with other organisations be seriously pursued.

## ***COUNCIL OF FOREIGN RELATIONS***

**Address by the Prime Minister at the luncheon in New York on 30 September**

I would like to thank the Council of Foreign Relations for inviting me to address this august body. It is with some trepidation that I put forward some of my thoughts on the importance of world leadership in the post-Cold War era.

Despite the end of the Cold War and perhaps because of it we are witnessing today the outbreak of serious conflict in various parts of the world. Age-old ethnic and nationalistic antagonism, subdued by authoritarian rule, are resurfacing. Critical international economics and social development issues remain intractable, and developing countries continue to be marginalised. The world clearly still needs strong leadership of the kind that looks beyond national boundaries.

### **Decisive Leaders**

Yet when the G-7 met recently in Tokyo they were led by 'incredible' leaders, i.e. leaders who had no credible support at home.

Democracy is supposed to mean rule by the majority. These government leaders had support-ratings well below a democratic majority. And yet they represent the most powerful democratic nations of the world.

The world needs not just world leaders by virtue of being leaders of great countries but decisive leaders in world affairs. These leaders must be concerned not just with their own position but willing and able also to do what is right.

In the rubble of the collapsed 'evil empire' some of the most cruel wars are being fought. A whole ethnic group is being exterminated in full view of everyone, aided by a misguided arms embargo. Hundreds of thousands have been killed and more than two millions forced to flee their burnt towns and villages.

In Bosnia-Herzegovina, in Nagorno Karabakh, in Abkhazia and many other places, all these horrors are taking place.

A leaderless world merely stands by to watch without extending a helping hand.

In the field of trade, leaders merely submit to domestic pressures. Policies are made purely for narrow short-term political interest. That such policies are damaging in the long-run are ignored.

With the defeat of communism and, for the small nations, the option to defect, international relations no longer consists of counter offers in order to win support. Choices are out. Pressures and threats are in.

And why are strong nations and world powers so seemingly unable to handle even simple problems? Why are they led by such weak leaders? At the hour of their greatest triumph why are the Western democracies so unwilling and incapable of handling even small military upstarts like Serbia or Armenia? Why are they not reaping the 'peace dividends' following upon the end of the Cold War? Why are they leaving the world so leaderless?

## Unjust Political System

The answer may lie in the corruption of democracy. All these nations are weak in practically all fields because they practise a distorted form of democracy; a democracy that stresses form rather than substance. Democracy has become an article of faith wherein its worship is far more important than the practical result obtained from it.

It is dangerous to make a religion out of an ideology. For 70 years the Russians practised Communism as a religion. As such everything that was done in the name of Communism was accepted unquestioningly. Woe betide any non-believers in their midst.

As a result a country rich in resources populated by a highly cultured and advanced people was reduced to extreme poverty and backwardness.

It was obvious to outsiders that far from distributing wealth equally among the people, communism was actually distributing poverty. The promised 'workers paradise' was not materialising. Instead the Communist countries were becoming hellish dictatorships which oppressed the workers in particular.

Still no one dared to question the ideology and the system that went with it. No one dared to be a heretic. Everyone had to be a faithful believer. Even when what was believed was obviously incorrect, wrong and false -- a believer had to believe, especially a believer in the midst of other believers. To question is not only heretical; to question is to invite painful retribution, imprisonment and even death.

And so communism went on inflicting sufferings and damaging the economy of Russia for 70 years. It took a cunning man to work his way up to the summit of the system to break it.

It is clearly dangerous to make a religion of an ideology. Now we are doing that to democracy. Challenge democracy and you will be branded a heretic. Challenge even the esoteric interpretations of democracy and the fanatics will be after you, branding you as an unbeliever, a renegade.

As much as the communists were intolerant, the democrats, particularly the liberal democrats, are intolerant. You risk excommunication if you question the wisdom of even the less fundamental of democratic practices. You will be branded and hounded by the democratic press and the fanatical democrats.

## Democratic Extremism

I am a democrat and Malaysia is a democratic country. Americans will most probably smile at this assertion. But we in Malaysia will continue to insist that we are democratic. Our view is that democracy is not a religion, that it is merely a political system, that it is not perfect. It is not a cure-all for social, political and economic maladies. Indeed, democratic fanaticism is more likely to create social, political and economic problems rather than cure them. The present malady assailing the Western nations, the weakness in their leadership in particular, is due to democratic extremism.

When democracy was first defined, it meant merely a system of government by the people. But since then many new qualifications have been added, without which a popular government would not be regarded as democratic. However, even if we take the basic simple majority, we will find that most democratic governments fail the test.

A democratic government should really have more than 50 percent of the people supporting it. In the West, where voter turn-out seldom reaches 50 percent, it is

possible that a government, supported by 25 percent of the voters, to be, 'democratically elected'. Such governments are usually weak as desertion by one or two members would bring them down.

In a multiparty system, there may be no party able to get a majority. A post-election coalition results in a weak government in which the bigger party lives in fear of the smaller coalition partner. Effectively it is the small coalition party which rules. And that is far from democratic.

If the proportionate system is used the chances of any party getting half the votes cast are very remote. Again weak coalitions have to be formed or a minority government set up, hardly democratic and certainly weak.

Excepting where an election gives a very big majority to the party forming the government, the democratic system is more likely to return weak governments. Weak governments will throw up weak leaders, concerned more with placating the electorate than with doing the right things. Governments which will do only popular things, cannot govern.

The majority of the people are not always right. The majority of Serbs voted for the genocidal government of Slobodan Milosevic. And the majority can very often be oppressive of the minority. And so someone decided that a democracy must accord rights to the minority or the individual. This is a contradiction in terms especially when the exercise of minority or individual rights adversely curtails or negates the rights of the majority.

Today the facists are back. They are a minority. Left to themselves their jingoism is likely to gain them increasing support. Remember how the Nazis came to power? Does a democracy uphold the democratic

principle or does it deny democratic rights to a dangerous minority?

In any society the rich must be fewer than the poor people. Of course some rich people are crooks. But in a market economy the rich are likely to be the entrepreneurs, the people who create wealth and jobs. Without them a market economy cannot prosper.

But their numbers are fewer than the workers. A democratic government needs votes. Pandering to the entrepreneurs even though they may be in the right, is not going to be helpful to politicians. It is more politically expedient to support the more numerous workers. And so wages and costs go up, and productivity and competitiveness go down. This is certainly not good for a country competing in the world market. It can eventually undermine the economy. But it is democratic.

### Political Ideology

There are many more things wrong with the practice of democracy. The arrogance of power of the media before whom the most powerful politician cringes. The power of the trade unions, the power of the pressure groups, the lobbyists, the Non-Governmental Organisations (NGO), the local party boss. Then there is the need to be transparent, the fear of the intentional leak. Even laws may be broken in the name of democracy.

When a leader is elected in a western democracy his main concern is to stay in power. He has little time for anything else. If under the law he cannot stand again, then he is regarded as a lame-duck President, who literally is lame.

Is it any wonder that there are no credible leaders from the western democracies?

The world is faced with many problems. We have political problems, economic problems, social problems and problems of international relations. We have a brutal war going on, massive starvation, the plague of AIDS and other diseases, poverty, terrorism, refugees and migrants, drugs, desertification, floods, disasters and more, many more.

To deal with all these we need strong governments and strong leaders working together. The UN cannot function unless strong leaders are able to lend their countries' support.

Everyone agrees that the world is undergoing rapid changes.

### Political Changes

To merely accept changes and to adjust to them is almost primitive. We should be willing and brave enough to examine the changes and to intelligently engineer them. Only when we do this can we say that we are facing the challenge of change.

The mere switch from communism and the command economy to democracy and the free market is not enough. The problems have remained. Unless we have an open mind and are prepared to question all the things we have accepted, we may not be able to tackle the problems at the end of the Cold War.

Democracy and the free market is not a God-given system. It certainly is not a religion. It is only one of the devices to meet the problems of human society. We should not therefore be afraid to question all that we do in the name of democracy.

Majority rule, minority rights, freedom from oppression, freedom from hunger, freedom of association, freedom of the press and the right to free speech,

transparency, the rule of law and a host of other ideas and thoughts linked directly or obliquely with democracy -- all these need to be examined.

Remember the Inquisition, the religious persecutions which drove the European settlers to this country. Just as the settlers believed that their interpretation of Christianity was right, the Inquisitors and the persecutors believed that in persecuting they were obeying the tenets of Christianity. Who was right? It cannot be both.

Is it not possible that there are today democratic inquisitors and persecutors? Is it not possible that the accepted interpretation of democracy is as wrong as those about Christianity in the days of Christian extremism in Europe? Do we wait for centuries of sufferings before we revise our ideas about the true meaning of democracy? Think of the countries called Democratic Republic and Peoples Republic. The Western democrats certainly do not accept the democratic credentials of these countries. Is it not possible that the credentials of the Western democracies are also questionable? How democratic were they when they owned huge empires?

The time has come for rethinking the unthinkable. That is the challenge that faces us today. Unless there are leaders from the powerful nations willing to face this challenge, the world will be led by 'incredible' leaders.

## **Speech by the Prime Minister at the United States - ASEAN Business Council in New York on 30 September**

It gives me great pleasure to address the US - Asean Business Council today. The members of this Council have not only played a pivotal role in promoting trade and economic relations between the United States and the ASEAN countries, but more importantly have recognised the need to enhance the momentum of this mutually-beneficial cooperation between the two regions.

### **Free & Fair Trade**

I am gratified too that the present US administration has shown a greater interest in East Asia, especially trade and economic relationship with the region. With US external trade alone exceeding US\$1 trillion last year, it is gratifying to note that in the past few years there has been a phenomenal growth in trade between the Pacific countries and the US exports to the Asean region alone have grown by almost 25 percent.

To ensure that this momentum is sustained, it is crucial that we maintain those conditions that have fostered growth and continue to explore ways to reinforce such conditions. Of these, free and fair trade have obviously contributed a good share towards the growth of trade between the two regions.

It is essential that new political, security and economic considerations brought about by the end of the Cold War do not negatively impact on our trade relations. The United States' role in promoting the economic and trade potential with the ASEAN region cannot be overstated.

I understand that the most encouraging facet in the US economy has been the growth in its exports. The

new emphasis on exports is, I believe, a contributing factor. The United States needs trading partners, and we in Malaysia understand the importance of this. When we achieved independence we did not get rid of foreign business interests. Instead we encouraged additional foreign investments from Japan, Western Europe, Taiwan and the United States. This has reduced unemployment and made Malaysia prosperous. The investing countries not only gained from Malaysia's comparative advantage, but the prosperity of Malaysia makes it a good market for their products as well.

### **Non-Trade Issues**

There is an unfortunate tendency in the US to link trade with non-trade issues such as human rights issues, labour practices, the environment and economic policies. The result of scrutinising these issues is to stifle trade.

It should be noted that developing countries are disadvantaged. Frequently they depend on one or two primary commodities for their foreign exchange earning. If they go into manufacturing they are handicapped by the lack of technological know-how, capital, domestic market or even management expertise. About the only thing they have is low-cost labour. If this is taken away from them or nullified in some way, they will not be able to industrialise at all. If they don't grow and prosper, then they will not be able to buy the products of the sophisticated developed countries. By stifling their growth you will in fact deprive yourself of markets for your products.

During the Cold War years, many developing

countries grew accustomed to getting preferential access for their goods to markets in North America and Europe. Clearly these privileges render them vulnerable to threats or withdrawal. Malaysia, as a developing country, has GSP privileges. For some years now there have been threats of withdrawal because of alleged restrictions on the freedom of association of workers in the electronics industry. Now it is well-known that even in the US not all workers are unionised. In Malaysia where electronic manufacturing companies are of various sizes and enjoy different degrees of profitability, we prefer that they have in-house unions rather than national trade unions. Powerful national unions have been known to destroy the economy of even developed countries. And when the economy is destroyed it is the workers who suffer the most. On the other hand in-house unions can do little harm as they affect only the respective company. Yet in-house unions are still able to protect the interest of workers. Clearly our labour policy is in the interest of the workers.

### **An Investment Centre**

The attractiveness of Malaysia as an investment centre is partly due to good industrial relations. Such is the attractiveness of Malaysia's investment climate that huge labour-intensive industries have been set up resulting in full employment. With full employment wages have gone up. Clearly Malaysian workers are not losing anything because of the Malaysian labour laws and policies.

Foreign investment remains a vital ingredient of Malaysia's economic and technological development. We are particularly interested in investments in the manufacturing sector. Last year, for instance, the manufacturing sector contributed 28.9 percent of Malaysia's Gross Domestic Product (GDP). Manufactured products accounted for nearly 70 percent of

Malaysia's export earnings. Electronic goods make up 48 percent of these exports. The overall result of the economic policy and its management is a growth of eight percent per annum for the last five years.

Usually high economic growths are accompanied by high rates of inflation. In Malaysia's case the rate has remained low-ranging from two percent to 4.7 percent. In fact, despite continued high growth, the inflation rate has actually gone down. It is now 3.9 percent, down from 4.7 percent in 1992.

We are also politically stable and blessed with a young, trainable and disciplined workforce. Infrastructure is continually being upgraded and expanded. Telecommunications facilities, banking and other services are well above average for a developing country, and are continuously improving. The Asian Development Bank (ADB) recently reported that Malaysia's banking system is among the best in South East Asia.

With all these going for us, it is regrettable that with the exception of the petroleum and the electronics sector, there have been few notable investments by American businesses. We continue to get far more investments from Japan, Korea, Taiwan and Singapore than from the US. It is our desire to encourage and see more investments from the US, especially from the small and medium-scale industries.

### **Trade Incentives & Opportunities**

The US - ASEAN Business Council is aware of the vast opportunities that exist in the manufacturing sector in Malaysia. However, some of its members may not be aware of the opportunities in resource-based industries, agro-based industries, ancillary and supporting industries, the manufacturing of precision products and the manufacturing of industrial machinery and parts.

US business is also welcome to set up regional operational headquarters in Malaysia. Foreign-owned multinational subsidiaries carrying out certain activities are provided with tax incentives. Labuan, an international offshore financial centre also offers a number of business opportunities typical of tax havens. Foreign business may also come in and participate in activities associated with tourism and tourism-related projects.

I have outlined these broad parameters of business opportunities and the incentives for such activities to demonstrate our policy of welcoming foreign business investments.

### Trade Restrictions

Malaysia, like other developing countries, is also concerned that environmental conditionalities are being imposed to restrict the inflow of development funds from multilateral lending institutions and the export of certain finished products made from tropical timber. We have enacted laws to check illegal logging and bring down the annual harvest of tropical timber. Malaysia wishes to preserve its rainforests. It is in Malaysia's interest to do so. More than 50 percent of Malaysia is covered by forests and if we include tree plantations, more than 70 percent is tree-covered. We cannot be having 50 percent forest cover if we are indiscriminate about logging.

Also, there have been reports that Malaysia and other countries in the region are involved in an arms race. The alarming tone of these reports conveys the impression that we live in mutual antagonism and discord among the countries of the South East Asian region. South East Asia is getting more prosperous and it is natural that we expand some money to upgrade our modest defence establishment. That is not an arms race. We believe in the negotiating table even with

China. We do not look upon China as a potential enemy.

### Democratic Ideals

With the ending of the Cold War there is a tendency to believe that democracy has triumphed. To a limited extent the western democrats are right. But democracy does not mean the same thing to different people. Even among erstwhile western democrats interpretations differ. Unfortunately some democrats do not believe in democracy when foisting that political system on others. They are quick to apply pressures and to make threats.

Democracy is not the easiest of political systems. It took the West several centuries to apply it. Even then it does not always work. Racial intolerance, fascism and unstable as well as ineffective governments abound. Italy is a good example. It is unrealistic to expect countries with no experience of the democratic system to suddenly espouse and excel as democracies. And the former colonial territories were never ruled through the democratic system. How are they to practise all the minute provisions of the latest western interpretation of democracy? Look at the bungling and near anarchy now bedeviling the countries of Eastern Europe and the former Soviet Republics. Indeed the tragedies of Yugoslavia and others are directly attributable to the attempts at democracy.

Though disadvantaged in many ways, the developing countries aspire to develop their economies, uplift their peoples, and also provide some form of democracy in their political system. In the short term, the concerns of most countries are to provide food, shelter and clothing. In many countries, the pursuit of these objectives has been affected by a lack of political stability, ethnic and religious strifes, disunity and most frequently a lack of indigenous resources. Malaysia, fortunately, does not suffer from these disabilities.

## Foreign Involvement

Malaysia's development policies emphasise national unity, income redistribution, the eradication of poverty and the elimination of the identification of race with occupation. Our strategy combines economic, social, legal, labour and educational tools. We cannot allow criticisms of our laws and policies by outsiders to disorientate and destabilise us. To become dynamic, vibrant and prosperous we have to shape our policies and style of administration to our local situation -- that of a multi-racial developing country with very few resources initially.

Malaysia welcomes foreign involvement in its economy ever since it gained independence. That attitude and policy have paid off. We wish to continue with them. All we ask is some understanding and sympathy for our system and policies.

Americans, and in particular American businessmen, at least those who have been there, are sympathetic. But many Americans shape their opinions and act on the basis of newspaper reports. These reports are sensational and unsympathetic. Even economic and business reports are more political in content. The result is a distorted view among their readers. In the case of businessmen, there is a reluctance to invest in Malaysia. This is one of the reasons why American investments lag behind those of other countries. This is a pity because those who have invested in Malaysia have reaped very considerable profits. Indeed even when they are not doing well at home, their Malaysian operations are profitable. I hope the US - ASEAN Business Council can help correct the distorted view of Malaysia and bring about not only greater friendship between the two countries but more American investments.

## ***AGREEMENTS***

<b>Description</b>	<b>Parties to Agreement</b>	<b>Date &amp; Place</b>
Trade Agreement	Malaysia & Zimbabwe	Kuala Lumpur 9 July
Economic Cooperation	Malaysia & Albania	Tirana 18 July
Memorandum of Understanding to establish a Joint Commission for Bilateral Cooperation	Malaysia & Philippines	Kuala Lumpur 22 July
Trade Relations at establishing air and sea links	Malaysia & Fiji	Kuala Lumpur 27 July
Technical Cooperation	Malaysia & Namibia	Kuala Lumpur 10 August
Defence Cooperation	Malaysia & Italy	Kuala Lumpur 28 September

## ***MOVEMENTS OF AMBASSADORS AND HIGH COMMISSIONERS***

### **MALAYSIAN REPRESENTATION OVERSEAS**

- 14 July - The following received their credentials from the Yang di-Pertuan Agong:-
- |    |                            |   |                       |
|----|----------------------------|---|-----------------------|
| 1. | Mr B Rajaram               | - | Ambassador to Hungary |
| 2. | Mr Mohd Azhari Abdul Karim | - | Ambassador to Spain   |
| 3. | Mr Cheah Sam Kip           | - | Ambassador to Vietnam |
| 4. | Miss Lily Zachariah        | - | Ambassador to Senegal |
- 20 September - The following received their credentials from the Yang di-Pertuan Agong:-
- |    |                           |   |                            |
|----|---------------------------|---|----------------------------|
| 1. | Datuk Adnan Othman        | - | Ambassador to Iran         |
| 2. | Mr Mohamad Hussein Shafie | - | Ambassador to Saudi Arabia |

## OVERSEAS REPRESENTATION IN MALAYSIA

- 7 July - The Yang di-Pertuan Agong granted a farewell audience to the Dutch Ambassador Mr Bartholemeus de Bruyn Ouboter at the Istana Negara.
- 15 July - The following presented their credentials to the Yang di-Pertuan Agong:-
1. Mr Carsten Jacob Helgeby - Ambassador of Norway
  2. Mr Ahmet H Ermisoglu - Ambassador of Turkey
- 24 July - The following presented their credentials to the Yang di-Pertuan Agong:-
1. Mr Chu Myong Pal - Ambassador of North Korea
  2. Mr Eugene Richard Arnold - Ambassador of Netherlands
  3. Mr Mohamad Amin Ahmad - Ambassador of Egypt  
Mohamad Gabr
- 18 July - The new Swedish Ambassador - designate, Mr Bror Percy Westerlund, presented his credentials.
- 29 August - The Brunei High - Commissioner - designate, Pengiran Jaya bin Pengiran Rajid, presented his credentials.
- 20 September - The Yang di-Pertuan Agong granted a farewell audience to the outgoing Romanian Ambassador Mr Boris Ranghet.

## *DIARY OF EVENTS*

- 1 July
- Australian Industry, Technology and Regional Development Minister Alan Griffiths called on Domestic Trade and Consumer Affairs Minister Datuk Abu Hassan Omar.
  - Deputy International Trade and Industry Minister Chua Jui Meng received a delegation from the Argentinian province of Mendoza. The nine-member delegation was led by the governor of Mendoza province, Rodolfo Federico Gabrielli and Argentinian Ambassador to Malaysia, Dr Eduardo Alberto Sados. The Government decided to accord full recognition to Macedonia after the UN accepted it as its 181st member on April 8.
  - University of Malaya signed a Memorandum of Understanding with the National University of Cuyo (NUC) in Mendoza, Argentina. The MOU enables its under graduates to study language and engineering courses in NUC.
  - Australian Minister for Industry Technology and Trade Alan Griffiths met with International Trade and Industry Minister Datuk Seri Rafidah Aziz at her office. The meeting touched on several topics including industry relationship and bilateral and trade issues.
- 2 July
- The Malaysian High Commissioner to Sri Lanka and Maldives, Mr Abdul Kadir Mohamed Deen, was elected president of the Colombo Plan Council. Abdul Kadir who succeeded the South Korean Ambassador to Sri Lanka, will hold office for one year.
- 3 July
- The Chief Secretary to the Government Tan Sri Ahmad Sarji Abdul Hamid closed the foreign service course for junior Asean diplomats at the Institute of Diplomacy and Foreign Relations.
- 5 July
- Primary Industries Minister Datuk Seri Dr Lim Keng Yaik opened the 17th meeting of the Asean Committee on Food, Agriculture and Forestry Co-ordination Group on Forestry in Kuala Lumpur.

- 6 to 10 July - Foreign Minister Datuk Abdullah Ahmad Badawi led Malaysia's delegation to the sixth Malaysia-Thailand Joint commission (JCM) held in Bangkok.
- 6 July - Telekom Malaysia signed a memorandum of understanding with eight international telecommunication carriers in the Asia-Pacific to implement a new telecommunications super-highway through a submarine cable system. The super-highway known as the Asia Pacific Cable Network (APCN), would connect Malaysia, Indonesia, Singapore, Thailand, Hong Kong, the Philippines, Taiwan, Japan dan Korea.
- The Sultan of Pahang received his appointment credentials as Constitutional Head of the International University for a third five-year term from university president Datuk Seri Anwar Ibrahim, who is also the Finance Minister. The Sultan had served in the capacity since the university's inception in 1983.
- 7 July - Twelve Malaysian army officers left for Phnom Penh for a three-month tour of duty as military observers with the United Nations Transitional Authority in Cambodia (Untac).
- Iranian Deputy Minister of Mines and Metals, Dr Ali Shams Arkedani arrived in Kuala Lumpur for a one-week visit. The purpose of his visit was to follow up on agreements signed by companies and businessmen from both countries thus far.
- The last batch of 305 Malaysian soldiers for peacekeeping duties under the United Nations Operations in Somalia (Unosom II) left for Somalia.
- 8 July - Finance Minister delivered his keynote address at the first National Conference on Savings in Kuala Lumpur. The three-day conference was organised by the Employees Provident Fund (EPF), the Institute of Strategic and International Studies (ISIS) and the Malaysian Institute of Economic Research (MIER).
- 9 July - A ten-member delegation from Shaanxi province in China, met with Transport Minister Datuk Seri Dr Ling Liong Sik. The Shaanxi delegation led by its Vice-Governor Xu Shanlin was in Malaysia to look at the opportunities available, especially in the financial sector.

- 10 July - Zimbabwe's Minister of Industry and Commerce Christopher Ushewokunze called on Transport Minister at his office at Wisma Perdana. Zimbabwe is keen to have air and sea links with Malaysia as this will enhance South-South Cooperation.
- 11 July - Prime Minister Datuk Seri Dr Mahathir Mohamad began a three-day maiden visit to Albania. Dr Mahathir, the first Malaysian Head of Government to visit this East European nation, was accompanied by his wife, Datin Seri Dr Siti Hasmah Mohamed Ali and senior officials.
- Russian Deputy Foreign Minister Yuri A Petrov led a 15-member trade delegation to Malaysia. The delegation was on a four-day fact-finding visit to explore trade possibilities.
- 12 July - National Unity and Social Development Minister Datuk Napsiah Omar opened a three-day seminar on "Creating political awareness among Malaysian women". The seminar was organised by the Asian Institute for Development Communication and sponsored by the Friedrich Naumann Foundation of Germany.
- Culture, Arts and Tourism Minister Datuk Sabbaruddin Chik opened a seminar on the "Role of Archives in Education and the ninth General Conference of the Southeast Asian Regional Branch, International Council on Archives" (Sarbica) at the National Archives auditorium in Kuala Lumpur. The seminar and conference is being held in conjunction with Sarbica's 25th anniversary.
- Botswana Education Minister M R Molomo called on his counterpart Datuk Dr Sulaiman Daud at his office. Molomo was on a five-day official visit to Malaysia to study the Malaysian school system with a view to implementing it in Botswana.
- 14 July - Prime Minister returned home after a three-day official visit to Albania.
- 15 July - International Trade and Industry Minister launched the first-ever comprehensive report on the nation's trade and industry sector. Entitled "Malaysia: International Trade and Industry Report 1993, the report is a response to the need felt by both the public and private sectors over the years for a comprehensive report on trade and industry policies and as a reference for planning purposes.



*Indonesian President Suharto with the Prime Minister during the former's three-day working visit in Langkawi.*

- 16 July - Indonesian President Suharto arrived in Langkawi for a three-day working visit during which he and the Prime Minister discussed bilateral and international issues. Accompanying Suharto were Co-ordinating Minister for Industry and Trade Hartarto, Foreign Minister Ali Alatas, Minister/Secretary of State Moerdiono, Tourism, Post and Telecommunications Minister Joop Ave and Manpower Minister Abdul Latief.
- Foreign Minister opened a nine-week training course in diplomacy for 20 officials from the African National Congress (ANC) at the Institute of Diplomacy and Foreign Relations (IDFR). The course was held under the Malaysian Technical Cooperation Programme (MTCP) to enhance diplomatic skills and experience.
- 19 July - Former Finance Minister Tun Daim Zainuddin led the Malaysian delegation to the high-powered tripartite meeting of the Indonesia-Thailand-Malaysia Growth Triangle

Development Project, which is set to bring rapid economic growth to the region. The two-day meeting, beginning in Langkawi, was the first ministerial meeting on the project.

- International Trade and Industry Minister addressed the 16th joint annual Malaysia-Japan Economic Association and Japan-Malaysia Economic Association (Majeca-Jameca) conference in Yokohama.
- 22 July
- Russian Foreign Minister Andrei Kozyrev called on his counterpart Datuk Abdullah Ahmad Badawi at Wisma Putra. Kozyrev was on a one-day visit to Malaysia on the invitation of Abdullah, who visited Russia and Central Asia last year. He led a 49-member delegation, including 15 businessmen who had separate talks with Malaysian entrepreneurs at the National Chamber of Commerce and Industry.
- 23 July
- Foreign Minister attended the 26th annual meeting of ASEAN Ministerial Meeting in Singapore.
  - Foreign Ministry Deputy Secretary-General (I) Datuk Abdul Halim Ali exchanged diplomatic notes with Japanese Ambassador to Malaysia Tan Sri Hiroshi Fukuda on behalf of both governments at Wisma Putra. The diplomatic notes are for two grants worth about RM 2 million, made under the Japanese Cultural Grant Aid programme, for National Museum and the Kedah State public library for the purchase of audio-visual equipment.
- 25 July
- A 43-member delegation from China led by the National Peoples' Congress standing committee chairman Qiao Shi arrived for a four-day visit to Malaysia. The visit, on the invitation of Dewan Rakyat Speaker Tan Sri Zahir Ismail, was to improve ties between the peoples of the two countries.
  - Fijian Deputy Prime Minister arrived in Kuala Lumpur on a six-day official visit to Malaysia. He was accompanied by Fijian Commerce, Industry and Tourism Minister Harold Powell and senior government officials.
- 26 July
- Prime Minister opened the largest ever gathering of youths at this year's National Youth assembly held in Kota Baru. Some 15,000 youths representing their organisations and uniform units throughout the country were present to mark the celebration which was held in Kelantan for the first time.
  - Fijian Deputy Prime Minister called on his counterpart Mr Ghafar Baba. They discussed numerous issues of mutual interest.

- Chinese National Peoples' Congress Standing Committee chairman Qiao Shi called on the Speaker of the Dewan Rakyat at Parliament House.

28 July

- Palestine Liberation Organisation (PLO) chairman Yasser Arafat arrived in Kuala Lumpur for a three-day working visit and was immediately assured of Malaysia's continued support for PLO's struggle.



*Palestine Liberation Organisation chairman Yasser Arafat greeting the Yang di-Pertuan Agong.*

- Newly appointed Indonesian navy chief Laksamana Madya Tanto Koeowanto called on Defence Minister Datuk Seri Mohamad Najib Tun Razak. They discussed bilateral ties, including joint naval exercises and maritime co-ordination and operations.
  - Ecuador Vice-Minister for International Economic Policy in the Ministry of Foreign Affairs called on Deputy International Trade and Industry Minister at his office. Ecuador hoped to sign three government-to-government agreements with Malaysia in its bid to woo Malaysian investors to participate in the downstream commodities-based industries.
  - Minister of International Trade & Industry was conferred "Grand Cross of the Order of Mayo" award by the Argentinian government. The award was in recognition of Rafidah's contributions towards the enhancement of bilateral trade and economic relations between Argentina and Malaysia. Rafidah was the only Asian minister to be conferred the award in the last two years. Rafidah was in Buenos Aires from July 25 to 27.
- 30 July
- A high-level Vietnamese delegation headed by Justice Minister Dr Nguyen Dinh Loc visited the Anti-Corruption Agency (ACA) headquarters. The delegation was on a five-day official visit.
  - Lord Mayor of London Datuk Sir Francis McWilliams was on a six-day official visit to Malaysia.
- 1 August
- Prime Minister and an 18-member delegation arrived at Bandar Seri Begawan, Brunei, for a three-day official visit. Dr Mahathir's visit was to promote trade and closer bilateral relations.
- 2 August
- High Court Judge Datuk L C Vohrah was nominated to serve as a judge on a eleven-member United Nations war crimes tribunal for former Yugoslavia. The request to Malaysia for a nomination was made by the United Nations Security Council.
  - African National Congress (ANC) leader Nelson Mandela arrived in Kuala Lumpur to brief Prime Minister on the latest political developments in South Africa.
- 3 August
- Prime Minister and ANC's leader Nelson Mandela had a 45-minute closed-door meeting at the Carcosa Seri Negara. The ANC, which is preparing for South Africa's first non-racial general election next year, was keen to learn from Malaysia's experience in holding elections.



*Africa National Congress leader Nelson Mandela meeting the Prime Minister.*

- The Yang di-Pertuan Agong sent a condolence message to Queen Fabiola of Belgium, over the sudden death of King Baudouin.
- Lord Mayor of London and his wife, Datin Lady Wyn McWilliams were granted an audience by the Yang di-Pertuan Agong at Istana Negara.

- Chilean navy chief Admiral Jorge Martinez Busch called on Minister of Defence at the Defence Ministry. Busch had offered to train a Royal Malaysian Navy officer on board its navy training ship Esmeralda.
- Tenaga Nasional Bhd signed an agreement for the sale and purchase of electricity with the Public Utilities Board (PUB) of Singapore. PUB will sell 100 MW of electricity on a regular basis to Tenaga Nasional for a period of six months.
- 6 August - Namibian Minister of Trade and Industry, Hidipo Hamutenya had a meeting with Works Ministry officials headed by Deputy Works Minister Kerk Choo Ting at Wisma Kerja Raya. Hamutenya was leading a four-member delegation for a week's stay in Malaysia. The delegation was interested to study Malaysia's policy of privatisation.
- 9 August - Information Minister Datuk Mohamed Rahmat opened the eighth meeting of the Asean Experts Group on Natural Disasters at Langkawi. The three-day meeting was being attended by representatives from all the Asean countries.
- 11 August - Prime Minister received China's Geology and Mineral Resources Minister Zhu Xun at his office. Zhu who arrived on August 10 was on a five-day visit to Malaysia. Earlier, he and six officials met International Trade and Industry Minister at her office.
- The Royal College of Surgeons of Edinburgh conferred an Honorary Fellowship on the Yang di-Pertuan Agong in recognition of his achievements and contributions in law, sports, education and other fields in Malaysia. The King was also presented a diploma bearing the seal and inscription of the College from its president, Professor P S Boulter.
- 12 August - Senator Christopher S Bond of the US Senate Economic Affairs Committee called on Foreign Minister at his office. Bond was in Malaysia for a three-day visit to meet Malaysian business leaders and government officials to discuss bilateral economic and political relations.
- 13 August - Tanzanian Minister of Trade and Industry C D Tsuya called on his counterpart Datin Seri Rafidah Aziz at her office.
- 14 August - The Yang di-Pertuan Agong and the Raja Permaisuri Agong sent a congratulatory message to the President of the Republic of Korea, Kim Youngman, on the accession of the country's National Day.

- 16 August - The Yang di-Pertuan Agong and the Raja Permaisuri Agong sent a congratulatory message to President Suharto and his wife Ibu Tien, on the occasion of Indonesia's 48th Independence Day.
- German Deputy Economics Minister, Dr Heinrich L. Knolb met with International Trade and Industry Minister at her office. Dr Knolb was on a six-day visit to Malaysia. Accompanying him were seven members of the German Naval Group of Companies, which was making a presentation of their patrol vessels to the Malaysian government.
- Three US senators paid a courtesy call on Finance Minister at his office. The three Republican senators -- William Cohen, Larry Pressler and Hank Brown -- were in Malaysia for a three-day visit.
- The 20th Thai-Malaysian (Thamal) sea exercise were conducted in Malaysian and Thai territorial waters between Kuantan and Songkhla. 244 navy and marine police officers from both countries participated in the five-day exercise.
- 17 August - A member of the United States Senate Committee on Commerce, Science, Transportation and Foreign Relations, Senator Charles S. Robb called on the Prime Minister at his office. Robb was accompanied by the US Ambassador to Malaysia John Stern Wolf, Deputy Chief of Mission Wendy Chamberlin, Chairman of the International Intelligence Council Joseph Nye and Professional Staff member Peter Cleveland.
- The Prime Minister's wife, Datin Seri Dr Siti Hasmah Mohamed Ali, received the Paul Harris fellow award from Rotary International for her contribution to society and international understanding. The award was presented to her by Rotary International District 330 Governor John Wang Gen-sie in a ceremony at Seri Perdana.
- The Yang di-Pertuan Agong extended greetings to the President of the Republic of Hungary. Dr Arpad Goncz, on the country's National Day.
- 19 August - Prime Minister arrived in Bangkok on a four-day visit aimed at strengthening political and economic ties between Malaysia and Thailand. Dr Mahathir was accompanied by several Cabinet Ministers, senior government officials and 30 prominent businessmen.
- 20 August - Royal Thai Air Force Commander Air Chief Marshal Gun Pimantip called on acting Armed Forces chief Jen Tan Sri Borhan Ahmad at the Defence Ministry.

- A total of 206 Vietnamese illegal immigrants left for Ho Chi Minh City, the largest group to return to their homeland under the voluntary repatriation programme since 1990.
- 21 August - New Indonesian Air Force chief Air Vice Marshall Rilo Pambudi called on acting Armed Forces chief Jen Tan Sri Borhan Ahmad at the Defence Ministry. He was accompanied by six senior air force officers.
- 23 August - British Minister of States for Wales, Sir Wyn Roberts arrived in Kuala Lumpur for a two-day visit. His visit was linked to that by a 15-member Welsh group led by director of exports in the Welsh office Exports Branch, Ken Smith, to explore business opportunities in Malaysia. The group was in Kuala Lumpur from August 23 to 27.
- 25 August - Albanian Deputy Prime Minister Bashkin Kopliku called on the Prime Minister, his deputy Mr Ghafar Baba and Foreign Minister. They discussed a wide range of issues, including enhancing trade and co-operation in science and technology. Kopliku was making a six-day official visit to Malaysia. His visit was also the first by an Albanian leader to the country.
- 27 August - Albanian Deputy Foreign Minister Arian Starova and Foreign Ministry Secretary-General Tan Sri Ahmad Kamil Jaafar initialled an agreement which allows Malaysians to visit Albania for three months without a visa. It will facilitate trade missions & visits of Government officials and promote tourism. The agreement was signed at Wisma Putra.
- 28 August - Chairman of the Institute of Strategic and International Studies (ISIS) Tan Sri Zainal Sulong and former Thai Foreign Minister Tun Dr Thanat Khoman, jointly opened the Fourth Malaysia-Thailand Colloquium organised by ISIS, in Kuala Lumpur.
- 30 August - The Yang di-Pertuan Agong presented Excellent Service Awards to 30 dedicated workers - five of them non-Muslims - in conjunction with "Maulidur Rasul" (the Prophet Muhammad's birthday) celebration. The event was held at Dataran Merdeka.
- 31 August - Malaysia's 36th National Day was celebrated at the newly-renovated Padang Merdeka, Kuching, Sarawak. More than 30,000 people from all walks of life thronged the city to witness the national-level National Day parade.



*Former British Prime Minister Lady Margaret Thatcher being greeted by the Prime Minister.*

2 September

Former British Prime Minister Lady Margaret Thatcher arrived in Kuala Lumpur for a three-day visit. She paid a courtesy call on the Prime Minister at his office. Lady Thatcher delivered a keynote address at the Citibank Leadership Series.

- Danish Trade and Industry Minister Jan Troejborg called on Deputy Defence Minister Wan Abu Bakar who was representing Defence Minister who was overseas.
- 3 September - Finance Minister opened the Second Asia Pacific Life Insurance Congress 1993 at the Putra World Trade Centre.
- 4 September - Prime Minister launched the National Farmers, Fishermen and Breeders Day 1993 held at the Agriculture Park in Shah Alam, Selangor.
- Former British Prime Minister Lady Margaret Thatcher was conferred an honorary doctorate by the Universiti Utara Malaysia (UUM) at its sixth convocation in Sintok, Kedah. Lady Thatcher received the award from the Sultan of Kedah who is also the UUM chancellor. It was the first honorary doctorate to be conferred on a foreign leader by UUM.
- 6 September - Indonesian army chief Lieutenant-General Wismoyo Arismunander paid a courtesycall on Defence minister at the Defence Ministry. The Minister said Malaysia and Indonesia had agreed that the "Malindo Dasasar" exercise, a major joint military exercise staged every five years, would now be held triennially.
- The Sultan of Brunei arrived in Kuching on a three-day visit to Sarawak. During the visit, the Sultan declared open a two-day Regatta at Tebingan Sunge Kuching waterfront.
- 7 September - Science, Technology and Environment Minister Datuk Law Hieng Ding opened a seminar on "Surface finishing by radiation curing technology" at a hotel in Kuala Lumpur. The two-day seminar was organised by the Nuclear Energy Unit, Japan International Co-operation agency (JICA) and the International Atomic Energy Agency.
- 21 armed forces officers left for Bosnia to join the United Nations Protection Force (Unprofor) as observers. Of the number, 16 were from the army, three from the air force and two from the navy.
- 8 September - The Ministry of Transport and Ferrylink Sdn Bhd formalised an agreement to operate a scheduled passenger and vehicle ferry service between Tanjung Belungkor in Johor and Changi Point in Singapore. Ferrylink is a joint venture between MBF Holdings Bhd and Sealink Australia (Pte) Ltd in Adelaide.

- 10 September - Malaysian consumer and environmental activist Anwar Fazal was appointed one of the judges for the world's largest environmental prize, the Goldman Environmental Prize. The first Asian to be appointed to the jury, Anwar, succeeded from governor of Arizona, Bruce E Babbitt.
- 13 September - Prime Minister officiated the 14th Commonwealth Forestry Conference in Kuala Lumpur. He delivered his keynote address entitled "Sustainability in the forest".
- Deputy Inspector-General of Police Tan Sri Abdul Rahim Mohd Noor opened the 20th International Senior Command Course 1993 at the Police College in Kuala Lumpur. The 20-day course is being attended by 35 senior police officers from Brunei, Singapore, Indonesia, Thailand, Fiji, Mauritius, Papua New Guinea, Sri Lanka, Zimbabwe and Malaysia.
- 14 September - Prime Minister delivered a keynote address at an international seminar on religion and its role in society. The four-day seminar was organised by the Institute of Islamic Understanding (IKIM) and the Goethe Institute Kuala Lumpur.
- 16 September - High Court Judge Datuk Lal Chard Vohrah was elected by the UNGA to serve in the United Nations war crimes court to try those accused of atrocities in the former Yugoslavia. Apart from Vohrah, the other seven judges elected by the Assembly are the United States, Canada, Italy, Egypt, China, France and Australia.
- Indonesian Information Minister H Harmoko called on Finance Minister at his office. They discussed ways to strengthen bilateral co-operation between Indonesia and Malaysia through various exchange programmes in the fields of culture, information exchange, trade and industry, technology and telecommunication.
- 17 September - 20 officers of the African National Congress (ANC) received their certificates for completing the nine-week diplomatic training course at the Institute of Diplomatic and Foreign Relations (IDFR) in Petaling Jaya. The course, organised by IDFR had been conducted under the Malaysian Technical Co-operation Programme to foster long-term ties between the country and ANC.
- 18 September - Prime Minister launched the inaugural run of the Eastern & Oriental Express at the Kuala Lumpur railway station, describing the service as an asset for tourism promotion and the country's modernisation programme.



*Tonga's King Taufa'aha Tupou IV and Queen Halaevalu Mata'aha with the Yang di-Pertuan Agong and Raja Permaisuri Agong at Istana Negara.*

- 20 September - The Yang di-Pertuan Agong and the Raja Permaisuri Agong hosted a dinner for Tonga's visiting King Taufa'aha Tupou IV and Queen Halaevalu Mata'aha at Istana Negara. They arrived September 19 enroute Sarawak for a four-day official visit at the invitation of the Sarawak Government.
- Laos Vice-Minister for Health Dr Rasmay Khamphay called on Health Minister Datuk Lee Kim Sai at his office. Laos hoped to learn from Malaysia's experience in primary health-care, especially in the control of food and drugs. Dr Khamphay was in Kuala Lumpur on a one-week visit, beginning on September 18 and his itinerary included a visit to the various divisions of the Health Ministry.

- 21 September - British Prime Minister John Major arrived in Kuala Lumpur from Tokyo for a two-day official visit. Major was met on arrival at Kuala Lumpur International Airport by Foreign Minister. Accompanying Major were his wife Norma, Trade Minister Richard Needham, several top Government officials as well as corporate leaders. This was Major's first visit to Malaysia since becoming Prime Minister in 1990. He last visited Malaysia in his capacity as Foreign Secretary in 1989.
- South-South Commission chairman Dr Julius Nyerere met the Prime Minister at the latter's office. Dr Nyerere who was on a five-day official visit, discussed with Dr Mahathir matters pertaining to the organisation of developing countries.
- 84 Vietnamese boat people left for home under the United Nations High Commissioner for Refugees' (UNHCR) Voluntary Repatriation Programme.
- 22 September - Prime Minister and his British counterpart led their respective delegations in hour-long talks on a wide range of subjects. Earlier, they had a "four-eyed" meeting, held at the Prime Minister's Department.
- Five memorandums of understanding involving several billion ringgit were signed between Malaysia and British companies. They were related to the Kuala Lumpur International Airport at Sepang, the design and construction of a gas-fired power station, manufacture and marketing of buses and coaches, steel work and a power plant. The signing ceremony held at the Prime Minister's Department, was witnessed by both Dr Mahathir and Mr John Major.
- The first Malaysian-made aircraft received the Certificate of Type Approval from the Australian Civil Aviation Authority, the greenlight for the company to produce the aircraft for sale. Production of the aircraft by Eagle Aircraft in Perth would be moved to Batu Berendam, Melaka under the second phase of its relocation exercise.
- A 150 Malaysian police contingent serving under the United Nations Transitional authority in Cambodia as observers returned after a 17-month stint. The Malaysian and the Philippine police were the last batches to leave Cambodia.
- 23 September - Egyptian Education Minister Dr Hussein Kamel Bahaa El-Din called on his counterpart Datuk Amar Dr Sulaiman Daud at his office. Malaysia and Egypt agreed to carry out a twinning programme between their universities.

- 24 September - The government decided to lift trade and economic sanctions against South Africa with immediate effect and is taking steps to establish diplomatic ties with the country.
- 28 September - Defence Minister and his Italian counterpart, Senator Fabio Fabbri signed a memorandum of understanding (MoU) to enhance defence co-operation and to foster closer ties between Malaysia and Italian defence manufacturers. The MoU was signed at the Defence Ministry in Kuala Lumpur.
- Public Works Minister of Chile, Carlos Hurtado called on his counterpart Datuk Leo Moggie at his office. They witnessed the signing of a memorandum of understanding between Master Builders Association Malaysia and the Chile Master Builders.
- 29 September - Prime Minister arrived in New York to attend the 48th session of the United Nations General Assembly.
- Chilean Public Works Minister met with Transport Minister Datuk Seri Dr Ling Liong Sik. The Chilean delegation had expressed interest in the construction of the proposed new Kuala Lumpur International Airport in Sepang as Chile had the relevant expertise. The discussion also covered cooperation in various fields, including road and port construction.



# **FOREIGN AFFAIRS MALAYSIA**

PERPUSTAKAAN  
WIJAYA PUTRA BIN  
KEMENTERIAN LUAR NEGARA  
MALAYSIA  
KUALA LUMPUR

FOREIGN AFFAIRS MALAYSIA is published by the Ministry of Foreign Affairs, Malaysia. It is designed to provide information on Malaysia's foreign policy and foreign relations. Any material in the Journal may be reproduced but acknowledgement of the source would be appreciated.



# ***FOREIGN AFFAIRS MALAYSIA***

WILAYAH PERSEKUTUAN  
KEMENTERIAN LUAR NEGARA  
MALAYSIA  
KUALA LUMPUR

Vol 26 No 4 December 1993 Ministry of Foreign Affairs ISSN 0126-690X

# **CONTENTS**

## **STATEMENTS MADE IN MALAYSIA**

### **ESTABLISHMENT OF DIPLOMATIC RELATIONS BETWEEN MALAYSIA AND THE REPUBLIC OF SOUTH AFRICA**

*Statement by the Ministry of Foreign Affairs, on 6 November.* 3

### **INTERNATIONAL CONFERENCE ON “MALAYSIA: POWERHOUSE OF THE 90S”**

*Speech by the Prime Minister Dato' Seri Dr Mahathir Mohamad at the Conference in  
Kuala Lumpur, on 15 November.* 4

### **10TH ANNIVERSARY DINNER OF THE JAPANESE CHAMBER OF TRADE AND INDUSTRY, MALAYSIA (JACTIM)**

*Speech by the Prime Minister at the anniversary dinner of JACTIM in Kuala Lumpur,  
on 26 November.* 9

### **INTERNATIONAL SEMINAR ON INDIGENOUS PEOPLE**

*Keynote address by the Finance Minister Dato' Seri Anwar Ibrahim at the Seminar  
in Kuala Lumpur, on 29 November* 12

### **PACIFIC RIM BUSINESS COLLABORATION SYMPOSIUM**

*Speech by the Prime Minister at the opening of the Symposium in Kuala Lumpur, on 5 December.* 16

### **INTERNATIONAL DAY OF SOLIDARITY WITH THE PALESTINIAN PEOPLE**

*Message from the Prime Minister to commemorate the event, on 29 November.* 20

# **STATEMENTS MADE OVERSEAS**

## **48TH SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY**

*Statement by the Prime Minister at the Plenary in New York, on 1 October* 21

## **MEETING OF THE MINISTERS OF FOREIGN AFFAIRS AND HEADS OF DELEGATION OF THE MOVEMENT OF NON-ALIGNED COUNTRIES**

*Statement by Foreign Minister Datuk Abdullah Ahmad Badawi at the meeting in New York, on 4 October.* 27

## **17TH ANNUAL MEETING OF THE MINISTERS OF FOREIGN AFFAIRS OF THE GROUP OF 77**

*Statement by the Foreign Minister in New York, on 5 October.* 32

## **COMMONWEALTH HEADS OF GOVERNMENT MEETING**

*Reply by the Prime Minister to the address of welcome by the President of Cyprus at the opening of the meeting in Nicosia, on 21 October.* 35

## **48TH UNITED NATIONS GENERAL ASSEMBLY**

*Statement by Ambassador Razali Ismail, Permanent Representative of Malaysia to the United Nations at the General Debate on Disarmament and International Security Issues in New York, on 21 October.* 38

*Statement by Mr M Redzuan Kushairi, Deputy Permanent Representative of Malaysia on Agenda Item 11, Report of the Security Council at the Plenary in New York, on 28 October.* 42

*Statement by the Permanent Representative to the United Nations on Agenda Item 42: "The Situation in Bosnia and Herzegovina" at the Plenary in New York, on 17 December.* 49

***VISIT OF HIS MAJESTY TO THE UNITED KINGDOM***

*Speech by His Majesty Sultan Azlan Shah at the State Banquet in Buckingham Palace on 9 November.* 52

***FIRST MEETING OF THE MALAYSIA - PHILIPPINES JOINT COMMISSION FOR BILATERAL COOPERATION***

*Opening remarks by Foreign Minister at the meeting in Manila, on 9 December.* 54

*Closing remarks by Foreign Minister at the conclusion of the meeting in Manila, on 9 December.* 57

***AGREEMENTS*** 59

***MOVEMENTS OF AMBASSADORS AND HIGH COMMISSIONERS*** 60

***DIARY OF EVENTS*** 61

***STATEMENTS MADE IN MALAYSIA***

# ***ESTABLISHMENT OF DIPLOMATIC RELATIONS BETWEEN MALAYSIA AND THE REPUBLIC OF SOUTH AFRICA***

**Statement by the Ministry of Foreign Affairs, on 6 November**

The Government of Malaysia and the Government of the Republic of South Africa desiring to further develop the relations between the two countries in accordance with the principles of peaceful co-existence, mutual respect for sovereignty and territorial integrity, equality and non-interference in the internal affairs of one another have now decided to establish

diplomatic relations at ambassadorial level between the two countries.

Both countries express their confidence that the development of relations between the government of Malaysia and the government of the Republic of South Africa will contribute towards the promotion of international cooperation and world peace.

## ***INTERNATIONAL CONFERENCE ON "MALAYSIA : POWERHOUSE OF THE 90S"***

**Speech by the Prime Minister Dato' Seri Dr Mahathir Mohamad at the Conference in Kuala Lumpur,  
on 15 November**

Let me first extend a warm and cordial 'Selamat Datang' to all our foreign delegates attending this international conference. I hope you will use this opportunity to see our country, not only to observe at first hand the progress that has been achieved but also to enjoy the many sights and the hospitality that Malaysia has to offer.

I also wish to take this opportunity to congratulate the organisers of this conference, the International Herald Tribune, MIDA (Malaysia Industrial Development Authority) and ISIS (Institute of Strategy and International Studies) Malaysia for hosting this conference which is both timely and appropriate.

### **Vision 2020**

The purpose of my address today is to present some thoughts on Malaysia's course today and in the future. As I am today among the leaders of the foreign business community it is therefore apt that my address highlight the state of the Malaysian economy today and its promise for the future, particularly in the context of Vision 2020.

Vision 2020 is the crystallisation of Malaysia's ambitious target to become a fully developed nation in every sense of the word: socio-economically, technologically, politically and from the ethical and spiritual viewpoints. The establishment of a competitive economy must mean, among other things:-

- a diversified and balanced economy with a mature and widely-based industrial sector, a modern and mature agriculture sector and an efficient, productive and a equally mature services sector;
- an economy that is quick on its feet, able to quickly adapt to changing patterns of supply, demand and competition;
- an economy that is technologically proficient, fully able to acquire, adapt, innovate and adopt the latest in modern technology and to keep up with it;
- an economy that has strong and cohesive industrial linkages throughout the system;
- an economy driven by brain-power, skills and diligence, in possession of a wealth of information, and able to utilise it;
- an economy with high and continuously increasing productivity at every phase of the process;
- an entrepreneurial economy that is self-reliant, outward-looking and prudently adventurous;
- an economy characterised by low-inflation and low cost of production; and

- an economy that is geared to the full discipline and rigours of market forces.

Without the above economic virtues, or a substantial portion of them, it would be impossible to attain the required growth of seven percent per annum and a per capita income of over RM30,000 by 2020, a four-fold increase over today's per capita income. If we take the Purchasing Power Parity (PPP) approach, our current PPP is equivalent to a quarter of the USA's PPP and about 40 percent of Japan's. By 2020, Malaysia's standard of living in PPP terms, at current values, will translate into material standards on par with or better than those enjoyed by the world's most prosperous nations.

The structure of production is expected to change with the share of manufacturing stabilising at about 40 percent by 2020. But more critically, although agriculture is expected to account for only six percent of GDP, value-added growth will ensure that it is capable of supplying the nation's food needs and enjoy a competitive export niche.

### Labour Productivity

Another articulation of these objectives is labour productivity which is targeted to grow by 4.2 percent per annum. This is a critical target as it will ensure improving wages and per capita incomes without any serious negative effect on inflation.

Our export and trading base is expected to expand vigorously as in the past, with exports being made up of high quality and high value-added items. Trade flows will shift more towards East Asian destinations. This is inevitable given the current size of East Asia's contribution to world GDP and its share of world exports. Total East Asia GDP is 21 percent. East Asia has a population size 31 percent of the world's total.

The dynamism and youthfulness of the region and its high savings and investment activities will keep it dynamic for years to come. We are all convinced that the Pacific decade is round the corner, if not already here. Hence the expected contribution of East Asia to Malaysian trade.

You may well ask how Malaysia plans to achieve the target growth of seven percent per annum. Well, the key to sustaining growth at seven percent per annum lies largely in stimulating a high rate of investment. The private sector will have to take the lead while the Government will continue to ensure that stable socio-economic and political conditions are maintained and even enhanced. Malaysia has been quite successful in improving the physical, legislative, administrative and financial infrastructures so as to sustain investments at 34 to 35 percent of GDP in order to achieve growth. These were achieved even when the targets of Vision 2020 had not been determined. With the new long term plan the target is not too far-fetched. A high rate of domestic savings, currently at 35 percent of GNP, will provide the necessary funding.

### Human Resource

We foresee private investment being upgraded into higher value-added, technology-oriented and more productive sectors with export potential. There will be a higher degree of indigenous capability in order to enhance domestic economic resilience. The recent implementation of the domestic investment initiative and the setting up of the Small and Medium Industries (SMI) Authority are part of these policy measures.

The Bumiputera community, still largely outside the mainstream of economic activity, is nevertheless a rich source of manpower, capital and business entrepreneurship. The experience of the past decade shows that, given the right training and opportunities, they can play

a very significant role in the economic development process. They are also not without financial resources as they contribute towards numerous large savings and investment funds. Their full participation in the economy can, with proper guidance, enrich it considerably.

The structural transformation envisaged by Vision 2020 means also that human resource and labour must continuously be upgraded in order to meet the needs of the higher value-added and technology-oriented sectors. This upgrading process will require the combined efforts of both the Government and private sectors. This is the reason why the Government today is focusing seriously on education as an industry rather than merely as a basic social facility provided by the Government. Educational and training services will contribute towards economic growth even as they cater to the nation's manpower needs.

In the current competitive international investment climate, a principal challenge is to create and maintain conditions and an environment that will be more attractive than those offered by other competing nations. This is especially critical when managing success. This may appear to be contradictory but conditions of success create ever higher expectations and are therefore more difficult to improve upon. Yet they have to be improved if the pace is to be kept up.

### Global Trade

While we are in control over local conditions, we are much less able to ensure greater freedom in global trade. Keeping world trade free is becoming more difficult and elusive. GATT was born after World War II. After 40 years of negotiations, during which time markets and processes have become increasingly global, we appear to be no nearer to achieving the goals of liberalising and increasing world trade.

Perhaps the paradigm shift towards open regionalism, espoused by many liberal thinkers in the East and West, is what is needed to spur freer and greater world trade and stimulate investments. And the economic and other malaise that affect both Europe and the United States can and should be remedied through harnessing the East Asian economic engines and through greater openness, greater liberalism and greater free competition.

Malaysia's success, within the East Asia Group, in attaining and sustaining high socio-economic growth and progress, is clearly due to its commitments, acceptance and practice of these principles. Malaysia should be able to achieve its objective of becoming a fully developed and forward-looking industrialised nation within the next three decades because it is now laying the kind of strong foundations and attitudes compatible with this objective. Vision 2020 has in fact become a unifying dream and target of every responsible Malaysian citizen. Successive Governments can thus be expected to work towards this Malaysian dream if they wish to get the support of the people.

The creation of a unified market in Western Europe, the democratisation of Eastern Europe and the former republics of the Soviet Union, the structural changes being undertaken in these countries along market-based principles, and the end of the Gulf War, provide increasing opportunities for developing countries like Malaysia to expand their trade. Malaysia must take advantage of the potentials of all these changes in its efforts to expand and globalise its trade.

### Trade Protectionism

However, our experience has shown that free trade is more honoured by words than by deeds. Rising protectionism, lack of policy co-ordination among de-

veloped countries on monetary matters, the slow progress towards agreement at the new Uruguay round of the GATT negotiations, and above all, the emergence of new trading blocks, such as NAFTA and the unified markets of EC, render free trade almost meaningless. For trading nations like Malaysia it means that growth and development will be retarded.

It is in order to reduce dependence on the traditional trading partners that Malaysia has embarked on an aggressive programme to find and develop new export markets. Our interest in South-South trade; our initiatives in the G-15 nations; our active participation in regional organisations like ASEAN, as well as our attempts to form the East Asia Economic Caucus (EAEC) as a bulwark against trade blocs; the establishment of new trade and investment links with developing countries in South East and East Asia and the newly independent Central Asian republics of the former Soviet Union; represent efforts to diversify trade links and create a fairer and mutually beneficial trading relationship between nations. These actions, we believe, will not only circumvent the effects of managed trade by the Euro-American blocs but also will help increase world trade as a whole. They will counteract some of the negative effects of rising trade protectionism by certain developed countries.

Our ultimate objective is to ensure that the targets we have set in our thirty-year plan are met. So far we have held steadfast to our beliefs in free trade and open regional non-exclusive groupings. The next twenty-six years will be fraught with challenges, both in the international economy and the domestic economy. We will continue to be positive, innovative and pragmatic in our approach. We will work closely with the private sector in order to maximise our capabilities.

### **Manufacturing Sector**

The overall performance of the manufacturing sector is expected to remain strong in 1993 with an anticipated 12.5 percent expansion in output, higher than the 10.5 percent achieved in 1992. The buoyant outlook is based on the unexpected growth in the external demand for manufactured goods despite protectionist trends and the poor economic performance of our major trading partners. For 1993 as a whole, the contribution of the manufacturing sector to GDP is expected to increase to 30.1 percent from the 28.9 percent estimated in 1992.

Private investment in the manufacturing sector grew at an average rate of 50 percent per year between 1987 and 1990. This was as a result of several measures adopted by the Government whereby foreign equity guidelines were liberalised and the Promotion of Investments Act 1986 was passed to provide a package of incentives for investments in the manufacturing sector. Steps were also taken to encourage a greater private sector role through privatisation, deregulation and liberalisation of rules and administrative procedures. The Industrial Coordination Act 1975 was also amended to exempt manufacturing establishments with less than RM2.5 million shareholders' funds or employing less than 75 full-time employees from compliance with the provisions of the Act on ownership.

### **Foreign Investment**

The favourable economic environment in the country attracted significant inflows of foreign investment as manufacturers from Japan and the dynamic Asian economies began to relocate their industries in this region. The huge increase in manufacturing investments was also accompanied by a significant shift towards more capital-intensive processes in the late 1980s. The ratio of employment per RM 1 million approved investment showed a decline from 22 jobs in 1980 to four jobs in 1992. In contrast, the ratio of

capital-intensity per project increased markedly from RM4.6 million in 1980 to RM31.8 million in 1992. In addition, the small and medium-scale industries were also encouraged to provide greater inter-industry linkages and to create a more balanced and integrated manufacturing sector.

The Government will continue to encourage greater private investment initiatives whilst ensuring that the public sector does not crowd out activities in the commercial and business sectors. Necessary support will be provided to strengthen and enhance the role of the private sector. The tax system will be continuously reviewed to enhance its competitiveness. While bearing in mind the need to increase its sources of revenue, the government will continue its liberal tax policies in order to encourage private investment. Recognising the critical role of direct foreign investment in terms of new technology, creation of employment and industrial linkages in the domestic economy, the current liberal policies towards foreign investment will be maintained.

The Government will ensure that its machinery at all levels will work efficiently and closely with the private sector in the spirit of Malaysia Incorporated.

### Management of the Economy

It is recognised that success also carries a cost, and creates problems and issues of its own. Where these involve the domestic economy, they are not impossible to manage. But external problems do not lend themselves to easy solutions. Wherever adjustments have to be made in order to accommodate international demands, they will be made. But at the same time Malaysia must participate fully in the search for a more equitable and open world trading regime. An aggres-

sive and high profile in international trade affairs for Malaysia is therefore unavoidable.

As I said, the problems that Malaysia faces domestically are not insurmountable. Shortage of labour and low productivity, infrastructure shortcomings and inflation are being tackled and have been partially resolved. More critical and less easily resolved are the problems of sustaining the political and economic climate for extended periods in order to achieve Vision 2020.

Still, I am confident that the targets of Vision 2020 are attainable. This Government and its successors are committed to this Vision simply because the people as a whole have accepted it as a national aspiration and target. To ignore these aspirations is to court defeat.

Beside, the Government has gained much valuable experience in the management of the nation's economy. It has not all been plain sailing but it is a measure of the administrative ability of the government machinery, that despite many economic and political crises, domestically and abroad, the country has managed to pull through and to grow steadily.

The expectation of continued growth is therefore not unreasonable considering that Malaysia grew on the average by approximately 6.7 percent in the first 20 years of its independence. All that is needed in order to achieve Vision 2020 is an additional 0.3 percent growth. It needs only a 7 percent annual growth over the next 26 years for Malaysia to become a fully developed nation. We are not an over-ambitious upstart. We are in fact very modest.

I would like to congratulate once again the International Herald Tribune, MIDA and ISIS Malaysia for organising this timely International Conference on Trade and Investment.

# ***10TH ANNIVERSARY DINNER OF THE JAPANESE CHAMBER OF TRADE AND INDUSTRY, MALAYSIA (JACTIM)***

**Speech by the Prime Minister at the anniversary dinner of JACTIM in Kuala Lumpur, on 26 November**

It is indeed a pleasure for me and my wife to be invited to this dinner organised by the Japanese Chamber of Trade and Industry, Malaysia (JACTIM).

It is also a privilege to address such a gathering of distinguished business leaders from Japan in Malaysia and their Malaysian counterparts. As an organised body representing Japanese businesses in Malaysia, I am aware that JACTIM has contributed much to foster good relations between our two countries and promote Japanese investments in Malaysia.

When Malaysia decided to switch from producing commodities to manufacturing, Japanese companies were among the first to respond. Generally, Japanese investments in Malaysia have been increasing over the years. For the period 1980-1992 a total of 1,045 manufacturing projects, involving equity interest from Japan, were approved. Total Japanese capital investment in these 1,045 approved projects amounted to approximately RM16.7 billion, creating some 200,800 job opportunities.

## **Japanese Investment**

I am also pleased to note that in 1992 Japan's proposed investment was the third largest in Malaysia. That year the Government approved a total of 146 manufacturing projects involving equity interest from

Japan. Total Japanese investments in these 146 projects, amounted to approximately RM 2.68 billion.

Compared to investments in terms of fixed assets from other countries, Japan ranked first, accounting for 34.6 percent of the total investment in fixed assets of companies with equity participation by foreign investors.

Japan was also Malaysia's largest trading partner in 1992, accounting for some 19.6 percent of Malaysia's global trade. However, total trade between Japan and Malaysia reduced by 2.4 percent. I understand that the trade deficit with Japan widened due mainly to the imports of capital goods, intermediate goods and components largely for Japanese investment projects here in Malaysia.

Malaysia has also signed a Double Taxation Agreement (DTA) with Japan. The purpose of the DTA is to avoid double taxation and prevent fiscal evasion with respect to taxes on income. It is important that as host Malaysia shares some of the benefits of business generated in Malaysia. Under the DTA, taxes must be paid to the host country before any deduction by the home country of the investors.

As a major industrial nation, Japan leads the world in many areas of industry. Japanese technology and know-how for instance could be profitably applied to

Malaysian resources for our mutual benefit. I wish therefore to urge Japanese businessmen to take full advantage of the many opportunities which Malaysian resources, other than labour, created here.

### **Attractive Investment Location**

Malaysia has performed very well in the face of the economic slowdown world-wide. Malaysia's political stability and her skilled and diligent workforce have attracted significant inflows of foreign investment. These, together with the relaxation on local equity participation in industries for export have stimulated a greater flow of foreign investments in manufacturing here. But these are not all. In order to compete with countries with cheaper labour, the Government has tried to improve the efficiency of government machinery. The privatisation policy, the rationalisation and restructuring of government departments are some of the measures towards a leaner and more effective administration. These moves which have reduced financial constraints on the government have already yielded results. Ports, airports, highways, telecommunications and electricity are now more efficient and are more able to cope with the needs of investors. JACTIM can help by making known these improvements to potential investors from Japan.

The upwards revaluation of the Yen, the endaka, following the Plaza Accord resulted in a massive relocation of Japanese industries to Malaysia and other countries of Southeast Asia. Now the Yen is once again appreciating. Although Japanese industries in Japan are not doing well presently, it is believed that their operations in Malaysia have remained profitable. It is again opportune for a second wave of Japanese industrial relocation to Malaysia. With the continued lower overall cost and high productivity of Malaysian labour, such relocation should help Japanese industries to

overcome both the Yen appreciation and the recession in Japan.

### **Industrialisation**

Whereas in the past the concentration was on electronics and the domestic appliances sectors, it is perhaps worthwhile to consider new products with high engineering contents. Machine tools and precision products should do well in Malaysia considering the rapidity with which Malaysian workers acquire skills. Beside, such products would require less labour inputs. With a little bit of in-house training Malaysian workers would soon acquire the necessary skills. Although they would cost more than less highly skilled workers in labour intensive industries, they would still cost much less than Japanese workers. The Government will do its best to provide the basic training required. Towards this end, the education policy and the Education Act will be amended. As in the past, the Government will react quickly and positively to the changing needs of Malaysian industrialisation and economy.

One government scheme which JACTIM and Japanese businessmen can play a role is the promotion of a Malaysian vendor scheme in the production of electrical and electronic component. A similar scheme for the motor industry has worked very successfully to the benefit of both Malaysian and Japanese component manufacturers.

While there is a lot that we can do for each other, our relations can extend beyond the commercial. In fact I think both Japan and Malaysia can benefit substantially if there is good social relations between Japanese businessmen and members of the administration. I understand that JACTIM has over the years organised and conducted numerous dialogue sessions between Malaysian Government officials and the business com-

munity. This is indeed in line with the spirit of Malaysian Incorporated and would certainly go a long way towards expediting the process of achieving vision 2020. The private sector, particularly JACTIM members, and the Government administrators can help define and formulate a new behaviour pattern that could strengthen further the private-public sector relationship. This is an important basis on which future business dealings can take effect. Social and sports

activities between the two can help overcome the barriers inherent in public relations with the bureaucracy. It would also help to overcome the impression of Japanese insularity. In these, JACTIM can certainly play an important role.

I wish to take this opportunity to wish all JACTIM members best wishes and hope they will continue to enjoy their status in Malaysia and contribute towards the success of their companies.

# ***INTERNATIONAL SEMINAR ON INDIGENOUS PEOPLE***

**Keynote address by the Finance Minister Dato' Seri Anwar Ibrahim at the Seminar in Kuala Lumpur, on 29 November**

We are happy to participate in commemorating the proclamation of 1993 by the United Nations as the International Year for the World's Indigenous People. The indigenous people of Malaysia that is the entire Bumiputera community -- The Bajaus, the Bataqs, the Kansius, the Kintaks, the Lanohs, the Mah Meris, the Malays, the Mendriks, the Orangs Dusun, the Penans, the Semelais, the Temiars, etc -- welcomes this universalization of the cause of indigenous people and efforts towards the full integration with the global community.

The fact that this declaration arrived on the heels of the 500th anniversary of Christopher Columbus' crossing of the Atlantic makes us all the more conscious of the significance of this initiative by the world body. For the indigenous people, not only of the entire American continent but also of the rest of the non-Western world, the Columbian enterprise, that initiated the age of Atlantic hegemony, evoked a sense of great tragedy, and of the irreplaceable loss and desolation of entire ancient civilizations.

This tragedy was made vivid for us in the eyewitness account of Bartolome de Las Casas, who participated in 1502 in the Spanish conquest of Cuba, and saw the complete massacre of an indigenous community. Writing 40 years later he said: "... we know for sure that our fellow countrymen have; through their cruelty and wickedness, depopulated and laid waste an area which once boasted more than ten kingdoms, each

of them larger in area than the Iberian peninsula." Las Casas estimated that over the 50 years after Columbus' historic journey, his compatriots had been responsible for the totally unwarranted deaths of almost 15 million indigenous souls, including women and children.

What Las Casas witnessed was perhaps the worst but by no means the last. Even today in North America and in some countries in the Pacific, the dominant population have not quiet reconciled themselves with their indigenous people. Thus it is an irony to witness the appearance of a global movement for the indigenous people mostly directed towards, not the indigenous in places where they had suffered the worst atrocities in the past and continue to be inflicted with injustices at present, but those living in developing societies, particularly the tribes inhabiting the tropical rainforests, which most of the time have peacefully co-existed with the larger population.

## **Justice and Humanitarian Concern**

Under this circumstances, while we ourselves are committed to justice and fairness, we cannot help but view with suspicion the altruism of the international elites and organizations towards the indigenous people and some communities within our society. We behave so because histories are replete with examples of vested interests masquerading as altruism and humanitarian

concern. It is hardly 50 years since most developing countries liberated themselves from the yoke of colonialism that was carried out in the name of a civilizing mission. Even those genuinely altruistic, their goodness were often alloyed by a sense of superiority. John Stuart Mill was a case in point. While his book "On Liberty" provided the intellectual foundation for the struggle for freedom, he considered non-western societies in a state of infancy, and thus had no right to liberty and domination over them were justified.

The indigenous community dwelling in Malaysia's rainforest, by and large, have co-existed peacefully with the rest of the community in the country from its founding some 500 years ago. But they were caught in the crossfire during the Japanese occupation and the ensuing communist insurgency that prompted the British to formulate an Orang Asli policy in the early 1950s. The policy, which included forced regrouping of scattered tribes, was not for the sake of ensuring their progress but solely in order to enlist their support against communist insurgents. For the rest, British rule in Malaya was considered relatively humane. But even that seemingly humane policy contributed to the continuing socio-economic disparity along ethnic lines. For example, in the name of protection the Malays were confined to peasant economy in the rural areas. This policy was created and sustained by the colonial ideology based on the myth of "the lazy native."

In Malaysia, we believe that the best course for the indigenous people is to accelerate their integration into the global society. This must necessarily mean a readiness towards change on their part. Of course, this runs counter to the nation, promoted by bleeding-hearts intellectuals and several international organizations, that they would be better off left in isolation from the rest of the world. That option, to be honest, is no longer feasible. The indigenous people here and I believe in other parts of the world are no longer blissfully unaware

of the larger world beyond their idyllic paradise. That awareness and knowledge had brought on a sense of insecurity and apprehension, the fear of being overwhelmed by forces that are, at one and the same, alluring and menacing.

### Policy of Isolation

The advocates of the policy of isolation and benign neglect towards indigenous peoples must take a close and honest look at the state of indigenous communities within the advanced countries, particularly in North America and Australasia. Despite the geographical distance, they seem to suffer from a set of similar problems, such as alcoholism, family breakdowns and general social malaise. We believe this state of affairs is characteristic of people who are demoralized and in a state of despair. Their aspirations to be treated as equals with the rest of society are treated with condescension, if not outright derision and contempt. It seems to us the root of the problem does not lie with the indigenous community but squarely on the dominant society. They have refused to acknowledge the equal humanity of the indigenous, to concede to them equal status as citizens and true partners in the political, economic and social process. Whether they realize it or not, the fullest meaning and implication of a policy of isolation is the refusal on the part of the dominant society to even contemplate a situation where the indigenous people could emerge as equals and as partners, or even as neighbours and workmates.

It is in this regard that our fellow indigenous people in Malaysia, be they the Orangs Kuala, the Penans, the Semais, the Temiars, etc will never be "protected" and designated to particular confined areas, similar to the reservations for the indigenous in some industrial societies. They are full citizens of this country, although they may need the instruments of affirmative

action to smoothen their passage to full participation.

### Development Programmes

Decades of development programmes for the Orang Asli and other tribal indigenous communities have provided overwhelming evidence that they appreciate education, modern health care and other basic amenities. Since independence the population of the Orang Asli has increased by four times, an indication of declining infant mortality, improving life expectancy and better health conditions. Some 90 per cent of the Orang Asli children are enrolled in basic primary education, while the number completing secondary and tertiary education continues to rise. The poorest of them participated in the Amanah Saham Bumiputera, the share ownership scheme for the hard core poor, thus we can proudly say that we are about the only indigenous people who, through participation in unit trust schemes, own substantial amounts of stock in public companies. And as members of the Bumiputera community they also share the political leverage for advancing their legitimate interests.

Undoubtedly, as elsewhere, there are pockets of resistance to change. But to interpret this resistance as preference for the romantic paradisaical state conjured by the bleeding-hearts intellectuals and self-appointed spokesmen of the indigenous, is certainly absurd. Time and again, the indigenous who have attained success have shown that the community also have desire and ambition. And in Malaysia, not only will there be no artificial barrier to their achieving success, their path will be facilitated by the government through specific affirmative action policies.

It is our conviction that the rhetoric on indigenous people without serious attention to their prospects for progress and development is of benefit to no one.

Equally futile, or even harmful, would be to foster a sense of separateness from the mainstream by exaggerating one's unique cultural identity. I suppose this is understandable in situations where indigenous people have been thoroughly subjected to oppression and humiliation, and treated as outcasts despite their desire to be recognized as fellow human beings. Under such circumstances, there is the need to restore pride and confidence in ourselves, and to preserve our dignity. But here in Malaysia, where diversity and multiculturalism is the norm, the issue of a trade-off between identity and integration is irrelevant. One can be wholly integrated into the national mainstream, yet fully possessed of one's cultural specificity.

### Sense of Identity

I would like to conclude by recounting a well-known legendary tale among us. It is the story of Si Tenggang, who had been kidnapped, as a young boy, from his home in the rainforest by traders who meant him for the slave market. However, by his intelligence and talent, he became not only a freeman but a man of wealth and influence among the people who captured him. In time, no one was left who knew of his origins. Even he himself, had only a vague memory of his parents and childhood friends. The whole story might have ended, as in most fairy tales, happily every after, that is after he eventually married the beautiful daughter of the King. But fate intervened, and one day, while on board one of his many ships on a pleasure cruise with his wife and her courtly entourage, a fierce storm caused the ship to take shelter close to his childhood home. He was recognized, and his parents came out to greet their long lost son. But he was deeply ashamed of his indigenous past. He disowned his parentage, and spurned his own mother's profession of undying love and affection. As the story goes, the heart-broken mother prayed that the gods punish this ungrateful son.

Her tearful prayer was answered and Si Tenggang, and his magnificent party, were promptly turned to stone.

The legend of Si Tenggang underlines our culture's abhorrence for those who would deny their identity for whatever reason. Thus our efforts to integrate indigenous people must not result in any loss of sense of identity. Yet, Tenggang would not have been confronted by such a tragic situation if the so-called mainstream culture had treated the indigenous as equals, at least in terms of humanity and dignity. As it was, our hero risked, upon discovery of his humble origins, an immediate loss of status and respectability.

In commemorating the International Year of the Indigenous People, we have to search within ourselves our own prejudices and false sense of supremacy in regard to our fellow humans of different cultures and ways of life. We have to reexamine, I believe, our so-called altruism, whether it is truly so, or a mere projection of past guilts. We have to seriously question, whether we would seek to isolate the indigenous, because we genuinely believe that, that would be the best for them, or because we simply could not accept them as neighbours or partners in our midst.

On that note, I declare this seminar officially opened. Thank you.

## ***PACIFIC RIM BUSINESS COLLABORATION SYMPOSIUM***

**Speech by the Prime Minister at the opening of the Symposium in Kuala Lumpur, on 5 December**

At the outset, I wish to thank the organisers of this first Pacific Rim Business Collaboration Symposium, that is, the Asian Strategy and Leadership Institute (ASLI), the International Infotrade Inc of the United States and Sabit Sdn Bhd, for inviting me today to officially open this Symposium.

The objective of this Symposium is very laudable as it is meant to promote regional business alliances. It is only right that the private sector should take the lead as they stand to gain by it the most. This is especially so because of the increasing size of Asia's market. Based on current performances, it is expected to be the world's fastest growing region in the 21st century. Its dynamism will be a major force driving the world economy. It is also a fact that despite poor economic performance elsewhere, East Asian nations have continued to experience high growth and it would not be wrong to anticipate that this trend will continue for many years to come. Indeed, it was not too long ago when we were told that the Mediterranean was the ocean of the past; that the Atlantic the ocean of the present and the Pacific, the ocean of the future. The future is already here and Asia's share of global GDP is expected to increase from about 25 percent to almost 33 percent by the 21st century. Asia's economic growth has clearly outstripped world economic growth.

### **Pragmatic Policies**

In the case of Malaysia, we have been able to

transform it from an agricultural, commodity-driven economy into a diversified manufacturing based and export-led economy. Today, Malaysia is one of the few countries in the world that enjoy buoyant economic growth with low inflation. While it is true that some countries are booming they are also afflicted with runaway inflation. In Malaysia, prudent economic and fiscal policies have helped businesses to prosper and grow rapidly without affecting the low rate of inflation characteristic of the country. With our transparent and pragmatic policies, we hope to encourage greater inflow of foreign investments involving sophisticated technology, high capital, technical know-how and marketing expertise. Through this forum, the private sector hopefully can further enhance its capacity in terms of tapping the potential markets of the Asian countries while establishing a symbiotic and mutually beneficial relationship. Today, Malaysia is modestly proud to be regarded as a model for economic development. If I may say so the achievement is even more impressive as we have managed not only to promote rapid economic development, but have done so despite being a nation of diverse and incompatible ethnic and religious mix.

Malaysia's economic transformation and East Asia's success story did not come about by accident. It was also not sheer luck that has made us what we are today. Our success story is the product of much hard work, together with a work ethic that is compatible with industrial peace and high productivity.

Indeed we believe strong, stable governments are

a major pre-requisites for success. Look around you in East Asia and you will find that there is a strong correlation between rapid economic growth and strong stable governments. Strong governments are prepared to take unpopular decisions in the best interests of the nation. Strong, stable governments adopt a longer term outlook on macro-planning and are not just concerned with the next general elections. Strong governments provide the necessary stability and predictability so essential to long-term investments.

### Democratic Ideals

Strong governments do not mean the absence of free, democratic elections. When people understand the limitations and the responsibility of citizens, democracy can be practised without democratic extremism and anarchy. Democracy is meant to serve the people, not the people to serve democracy. When the devotion to democracy results in a stagnant economy, high unemployment and denial of the right to work hard; when democracy protects fascists and neo-Nazis; when the individual activist takes precedence over the silent masses then it is time to question whether we have correctly interpreted democracy. It is important to remember that fanatical democrats are no better than religious fanatics. They both cannot see the wood for the trees.

In the West, democracy means many things to different people. To us in Asia, democracy means our citizens are entitled to free and fair elections. They can choose the Governments of their liking. We also believe that once we have elected our Governments they should be allowed to govern and to formulate policies and act on them. Our democracy does not confer complete licence for citizens to go wild. We need political stability, predictability and consistency to provide the necessary environment for progress and

economic development. Thus, we have seen the Singapore story unfolded by Mr Lee Kuan Yew and now continued by Mr Goh Chok Tong. We see this in Indonesia's success story with President Suharto, staying at the helm for almost 30 years.

### Economic Prosperity

We are socially stable in Malaysia. Although our people differ in terms of culture, religion and philosophy, they display tolerance, understanding and respect each other's way of life. Malaysian generally believe in compromise. We do not compromise out of weakness but rather out of a common desire to see our nation remain peaceful and prosperous. The vast majority of Malaysians are moderate people, tolerant, sensitive to each other's differences and harbour little ill-will.

Malaysia is fortunate to have a resilient private sector willing to undertake risks and share the tasks of building economic prosperity. The private sector is the main engine of growth for the Malaysian economy. Together with the Government's proactive and sound macro-economic principles and programmes, the concept of Malaysia Incorporated and privatisation, we have been able to accelerate growth, reduce our foreign debts, deregulate and assist the private sector to expand their role. We have invested in the future, by allocating vast sums of money to build infrastructure, as well as provide education and training suitable for an industrial economy. It is this commitment towards investing in infrastructure and human resource development that has given us a strong competitive edge.

Malaysia will continue to maintain its liberal economic policies and development programmes. Our policies will remain consistent, predictable and transparent. For us the challenge of managing success is just as important as managing problems during a recession.

I am confident that with the positive measures we have taken, we are today better equipped to cope with any cyclical downturn.

However, to enable us to better manage difficult times if a downturn occurs, we must not fritter away our gains during boom times. We will continue to increase the national savings and diversify our economy so that we will not be over-dependent on any one particular sector. We must diversify our markets as well as seek new markets for our products and services. In fact, today 53 percent of Malaysia's trade is with the nations of East Asia where once it was almost exclusively with Britain.

Rapid growth as is being experienced in Malaysia usually leads to overheating. High inflation, breakdown in services, inadequate funds for needed supporting infrastructure, overstrained bureaucracy and inadequate or shortage in the supply of trained personnel; all these alone or together can slow down or even reverse economic growth.

How a Government deals with overheating will determine the future of the nation and its own fate.

### **Open Market Economy**

The trend today is towards a free market economy. China, the republics of the former Soviet Union, the Indo-China states and the ex-Communist countries of Eastern Europe have all embraced the free market system. Some have even adopted the democratic system of Government. The mere adoption of these economic and political systems is no guarantee of success. If they are, then all the western democracies with market economies would be eternally prosperous. But we all know that they are not. In fact the countries which are doing well now are those with not so liberal democracy

and an economic system in which the Governments play a significant role. China and Vietnam which look set to grow economically have approximately this kind of combination. It would be unfortunate if in their zeal to proselytise, the victorious democrats inflict economic and political disaster on the enthusiastic converts. It is well to warn that democracy and the free markets are not economic and political cure-alls.

Although, East Asia has achieved remarkable success and has demonstrated strong, resilient growth, the future is full of uncertainties even for them. Calamities and disasters are always possible even for those with brilliant records. Japan is the current example. It is therefore, all the more crucial and imperative for nations of East Asia to work together in a more integrated and cohesive manner. The concept of an East Asia Economic Caucus (EAEC) must be firmed up further. As I have stated before the EAEC is Gatt-consistent and is committed to free trade. The EAEC is a result of and intended for open regionalism. On the one hand it recognises the need for regional cooperation and integration and on the other it promotes free trade. Countries of East Asia must work together. The need to balance regional groupings elsewhere is obvious. Alone, no Asian country, however powerful, can match the combined clout of the groupings which have been formed in Europe and North America.

### **Cross-Borders Collaboration**

No one need fear an Asian Grouping. Europeans and North Americans are much more homogenous than Asians. Even in East Asia we are not only ethnically different but we are also divided by culture, language and religion. It is quite impossible for Asians to think of themselves the way Europeans think of themselves as being of one race and one colour. Indeed the European culture and language have common origins. So the idea

of an integrated Asian Community borders on the ridiculous. Not so an Asian or an East Asian forum or caucus, designed to discuss common economic problems and to a limited extent to help pull up those among the East Asian countries which are lagging behind. All these can be motivated by enlightened self-interest. If today South East Asia is one of Japan's valuable market, it is because Japan invested in these countries and helped them to develop. The highly successful economies of East Asia will be helping themselves when they help less developed countries in the region to grow and prosper.

The EAEC is therefore a logical follow-up of the economic interaction in East Asia in the post World War II years. The EAEC is good for the Governments of East Asia which by and large are concerned to see that their countries achieve economic well-being. The EAEC is of course good for the business community of East Asia as well. What else do businessmen ask for

more than to spread their wings beyond the borders of their countries.

Today the narrow protectionist outlook of Asian businessmen has all but disappeared. Not only are they keen to go abroad but they regard business alliances and collaboration with companies in other countries as good business strategy. By so doing they can gain access to markets and also acquire new technology. Indeed there is a whole lot to be gained through cross-border collaboration.

As leader of a country which believes in regional economic collaboration I welcome the Symposium. I am sure it will result in many alliances and collaborations which will benefit the region, and indeed the whole world.

It is with this hope and expectation that I take pleasure in declaring this Symposium open.

## ***INTERNATIONAL DAY OF SOLIDARITY WITH THE PALESTINIAN PEOPLE***

**Message from the Prime Minister to commemorate the event, on 29 November**

On the occasion of the International Day of Solidarity with the Palestinian People, once again the Government and the people of Malaysia join the international community in reaffirming our resolute support and solidarity with the Palestinian people in their struggle for justice and for their right to their homeland.

Palestine and the question of a just and comprehensive peace in the Middle East have always been at the forefront of the agenda of the UN and other international fora. As long as the Palestinian people continue to be denied their inalienable rights and subjected to political, social, economic and cultural oppression, it remains the sacred duty of the international community to seek justice for the Palestinians.

Like many other member countries of the UN, Malaysia had welcomed the Palestinian-Israel mutual recognition and the peace agreement of 13 September 1993. Malaysia considers the accord as positive devel-

opment that would pave the way for a just and comprehensive solution to the Palestinian question and the Arab-Israeli conflict. Numerous challenges and obstacles, however remain, before a final and on Israel to demonstrate its sincerity to ensure the success of the current peace negotiations. We also like to call the other member states of the success of the peace process. As demonstration of its support to the peace process Malaysia, on its part, has made a modest financial contribution to the Palestinians to help them in their new task.

Once again, on the occasion of the International Day of Solidarity with the Palestinian People, I would like to take this opportunity to reiterate Malaysia's support to the Palestinian People in their struggle for their inalienable rights and justice. I wish them all the success in their new endeavour of national reconstruction and development efforts.

***STATEMENTS MADE OVERSEAS***

# ***48TH SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY***

## **Statement by the Prime Minister at the Plenary in New York, on 1 October**

I would like to join the other speakers in extending my congratulations to His Excellency Ambassador Samuel R Insanally on his election as the President of the 48th Session of the United Nations General Assembly. Your election to the important office of the President of the General Assembly is an honour to your country, with whom Malaysia enjoys warm and friendly relations. With your experience and ability, I am confident that you will discharge your responsibilities well and lead this august assembly to a successful conclusion of its work.

I would also like to express my appreciation to your predecessor H E Mr Stoyan Ganev, who discharged his duties with dedication and earnestness, and successfully guided the efforts in revitalising the work of the General Assembly.

May I also take this opportunity to welcome on behalf of Malaysia six countries which have joined the United Nations since last fall - Andora, Czech Republic, Eritrea, Monaco, Slovak Republic and the Republic of Macedonia. Their membership would help in strengthening the United Nations and in executing its increasingly complex role in the maintenance of international peace and security, and the promotion of international economic cooperation.

Malaysia is a developing third world country. We should, according to the stereotypical western concept of a third world country, be politically unstable, administratively incompetent and economically depressed.

### **Right To Govern**

But we are not quite typical. We have actually made progress. We are quite stable despite a multi-racial time-bomb we inherited from our colonial past. We are fairly competent in the running of our affairs. Such is our progress that we actually contemplate building buildings which should be the preserve of our betters.

And we dare to speak our minds.

These are unforgiveable sins and we are reminded every time that we should not be too ambitious. We are told that our achievements are temporary, that next year we would go the way of their preconceived third world countries. Of course last year and the years before we were told the same. But so far we have not obliged. We are however humbly aware that nothing is permanent. Our detractors may yet prove right.

That we do well and are not in dire need of their development aid is apparently not praiseworthy. Yet, when other developing countries perform badly they are chastised and told to do better, or they would get no more aid or loans.

But we will soldier on. We really should not care about what is said of us. Unfortunately these negative remarks make life that much more difficult for us.

We need foreign investment. To have them we

need a reputation for stability, competence and predictability. But when investors are told repeatedly that we are about to explode in racial violence, etc, they are likely to invest elsewhere. Of course what is said about us is untrue, lies. But these people apparently subscribe to the dictum, that a lie repeated often enough will be believed.

We care for the well-being of our people. We want to develop so as to give them a reasonable standard of living. But we cannot be cowed into not speaking our minds. If the powerful nations do wrong, we will speak out against them even if they say we are unduly suspicious, that we have an exaggerated sense of our own importance, etc. We can be belittled but we will continue to speak the truth.

Here at the UN we will say what we feel we should say. Of course the controlled "free" Western media will not publish it. But the few here will hear us. In any case it is what we achieve that counts with us. We can do without Western approval.

### "Peace Dividends"

Four or five years ago the world was celebrating the impending collapse of the "Evil Empire". The Union of Soviet Socialist Republic was still intact then, but all indications were that it had given up the fight; that it was coming to terms with its main adversaries, the countries of the Western so-called Free World; and that the Cold War was drawing to a close.

Peace was breaking out all over the world and there was much talk of "peace dividends". The arms race would end, there would be nuclear disarmament, and as the saying goes, the guns would be turned into

ploughshares. A brave new world would emerge: equitable, just and prosperous. There would be no oppression, no terror and no poverty or starvation.

Everyone would embrace democracy and the market economy, transiting from authoritarian rule and command economy without any hitches. And a global policeman would see to it that every country stay in line or face the consequences. There was no end to the good things that would make up the "peace dividends".

It would be wrong to say that there were no "peace dividends" at all -- the Iran-Iraq War, the Soviet occupation of Afghanistan, the war in Cambodia, some of the Central American wars, and now the violent Palestinian-Israeli confrontation and South Africa's apartheid; these did get resolved, partially or completely. But the world has not become a safer or a better place for a great many.

The Soviet Union did not just become democratic practitioners of free trade, working with the good guys for a better world. It broke up into a number of republics, and Russia has become dangerously unstable and ungovernable. The respected great reformer of Perestroika and Glasnost fame has been ousted and disgraced and has been replaced by another who seems to fare no better.

The "Evil empire" is no more. But the price in human lives and displacement of people is very high. And the price is still being paid.

In Georgia, Moldavia, Armenia, Azerbaijan, Tajikistan, much destruction and many killings have taken place and are still taking place. The old economic structure has been destroyed, but the new one is far from being in place. Chaos, bloody chaos, prevails in many places.

## Political and Social Downfall

Far from achieving universal peace the world is treated to a spectacle of unparalleled brutality by the Serbs in Bosnia-Herzegovina. In many countries of Europe fascism has once again reared its ugly head. Houses are torched and people burned to death. And the voters actually approved.

During the Cold War days the protagonists tried constantly to provoke uprisings against Governments of the countries they were opposed to. They would provide financial and material help and the promise that they would protect these rebels or provide them with asylum.

With the collapse of the communist bloc, the people there expected help when they overthrew their Communist Governments and established democratic free market societies or they sought independence for their countries. In some instances they found their expectations justified. The Slovenes and the Croats enjoyed the full support of the Europeans and were able to mould new nations. But the Iraqi Kurds and the Bosnians learnt that they thought wrong. It is only coincidental that both are Muslim communities.

The most tragic case is that of Bosnia-Herzegovina. The crime of the Muslims is that they wish for a non-Muslim religiously heterogenous state. They were viciously attacked by the Serbs who openly declared that they were and are doing this to ensure that Europe remains Christian. They are not prevented by the Europeans.

## Serbian Aggression

The cruelties committed by the Serbs defy imagination. In one case, which caused officials in one of the

powerful countries of the West to resign in protest over their Governments' passivity, a six year-old child was repeatedly raped in front of her mother who not only had to watch but was prevented from giving any help until the little child died after two days of exposure.

This is not an isolated incident. Muslim women, old and young and little girls were raped, brutalised and killed by the tens of thousands at the hands of the Serbs and now the Croats.

Hundreds of thousands of Muslims have died and are dying and some two million have been forced to flee from their burning towns and villages.

And what do the erstwhile champions of freedom and democracy do? They actually prevented the victims from defending themselves. Instead they try to force the victims to accept the partitioning and surrender of their territories which had been ethnically-cleansed by the Serbs and Croats. Thus are the rapists and murderers to be rewarded? Only the most gullible will still believe that the vociferous champions of freedom and democracy will risk their necks for other people's freedom and democracy.

Malaysia would like to record its satisfaction over the acceptance of Malaysian troops to serve in the UN forces in Bosnia-Herzegovina. We regret, however, the exclusion of certain Muslim countries from participating in the UNPROFOR. Apparently the distrust of Muslims is quite widespread.

Malaysians are prepared to serve under whoever is appointed by the UN in Bosnia-Herzegovina. We hope that our troops will be well-supported. We will not protest if the UN decides to increase pressure on the Serbs, including mounting a military offensive, provided due preparations are made.

## Peace and Good Sense

When we add up, the "peace dividends" accruing from the ending of the Cold War have not been really substantial. If at all, the debit side is much bigger than the credit side. The most glaring example is the renegeing on the much needed development assistance to poor developing countries.

Still when drawing up the balance sheet from the ending of the Cold War, one cannot but highlight two significant items on the credit side. The recent signing of the PLO-Israeli peace agreement and that between blacks and whites in South Africa must be regarded as the biggest achievements of the post Cold War period. Admittedly there is still a great deal to be negotiated before justice can be rendered to all sides and before true peace becomes permanent. But the most crucial obstacles are over.

I would like to congratulate all the parties concerned for their good sense and their boldness. The extremists on both sides will not be happy. There will be more violence. But I am sure those who are for peace and good sense will be as brave in peace as they have been in war.

I commend these accords to the good people of Northern Ireland. It is brave not to surrender even one inch. But it takes real bravery to compromise.

One may well ask why in the face of the much-publicised failure of the US-sponsored peace talks between the PLO and the Israeli, there should be this sudden break-through? The answer is to be found in the press statements. Good sense cannot prevail when the media demands that statements be made by each and everyone before and after each negotiating session. The negotiators are forced to make public stands, to demonstrate how tough they are and how they will not give in

even an inch. Having made these stands they were not able to accommodate good sense anymore.

In the peace talks in Norway there was no press. And good sense was able to prevail. There is this great democratic principle about the need to know. Do we all really need to know every detail of every negotiation? Does every Israeli settler or Gaza strip Arab, or for that matter every Tom, Dick and Harry in every part of the world need to know everything about the negotiations? Must Palestinians continue to be killed and be made homeless because everybody needs to know what was said by whom?

## Information Age

This need for transparency, this right to information is an invention of those who want to make money from the information industry. We should know about the bestiality of the Serbs in Bosnia so we may react. But this knowledge is largely denied us. On the other hand, we are shown this parade of negotiators to a peace conference day in and day out. Can the average man do anything worthwhile because he has seen the daily TV report?

We live in the Information Age. There has been and there will continue to be an unending explosion in the field of information technology.

Today we can sit in our homes and watch and hear a war as it is being fought; witness with eyes and ears a beauty contest as it is being judged and look at bugs under a microscope as it swims, via the TV screen. We see all these as they are, where they are without a second's delay.

We can watch murder as it is being committed, in all the gory details. And we can be shocked by it. But

then we can also watch Michael Jackson doing his "moon-walk" even as mass murder and massacres of the most brutal kinds are being committed at that very moment.

What we see and hear and witness, is what the media decide we should see and hear and witness. If the media wants us to be shocked by the massacre, it can broadcast lurid details of that massacre. But if it chooses to broadcast Michael Jackson at the time the massacre was taking place, we will be stomping our feet in total enjoyment.

Clearly the people who decide what we should see and hear hold terrible power. They can have us dancing in the streets or they can have us rioting in the streets with firebrands in our hands, burning, looting and killing.

Can we doubt that such people are powerful?

Make no mistake. The people who control the media control our minds, and probably control the world. Presidents can be made or broken by them. And they have. Countries can be isolated or accepted despite violations of human rights, depending on how the media presents them.

And who controls the powerful world media? Not the national Governments of tiny developing nations. Not even the Governments of powerful nations. A very few people in the west control all the international media. Some are journalists but quite a few are not. Collectively they are Big Brothers.

Now they have an even more effective weapon in the form of the worldwide TV network. Today they broadcast slanted news. Tomorrow they will broadcast raw pornography to corrupt our children and destroy our culture. They are already doing that in Europe.

Today we can still control the reception. The day is fast approaching when only a coat-hanger would be needed to receive TV broadcasts from across the world.

We will have nowhere to retreat. Already the small nations are being accused of being undemocratic and limiting freedom because we do not allow reception of international TV networks. We hope it is because our accusers believe in the freedom of the press. But we suspect it is because they monopolise the world media and they stand to profit substantially from the freedom they insist every nation should have.

Malaysia believes in press freedom. But that freedom, as with other freedoms and rights, must be accompanied by responsibility. We will continue to expect the Malaysian media to be responsible. We will not forego the need to enforce this responsibility. But as to the international press we can only hope and pray that they will realise the damage they are doing. We will not interfere with them. They are free to report and to write any amount of lies. But we do hope that occasionally they cover the truth as well. Power corrupts. But power without responsibility is the most corrupting influence of all.

### Restructuring United Nations

We have heard often enough of the need for restructuring the UN. We need it because the world has changed. It is not the world of the immediate Post World War II that we have today.

The people who plunged the world into a horrendous war are now the good guys, telling the world how to be humane. The rapacious invaders of the past are now the good samaritans distributing aid to the needy. Will there always be no room for the reformed?

We talk of democracy as the only acceptable system of government. It is so good that we cannot wait for the democratic process to bring about its acceptance by every country. It must be forced upon everyone whether it is welcomed or not. Yet when it comes to the UN we eschew democracy. And the most undemocratic aspect of the UN is the veto power of the Permanent Five. We can accept some weightage for them, but for each of them, alone, to be more powerful than the whole membership of the UN is not acceptable; not before, not now and not for the future. There can be for the time being some permanent members. But the veto must go. A formula must be found for new permanent members of the security council. Whatever may be the other qualifications, they must include a genuine and sincere interest in international welfare.

### Human Rights

At the Ministerial Meeting in Vienna this year a more comprehensive definition of Human rights was presented. Many countries like Malaysia were smeared in Vienna for allegedly refusing to accept the universality of human rights. We do subscribe to the universality of human rights but not to the irresponsible variety propounded by the West. Human rights is not a licence to do anything without regard to the rights of others. The rights of the majority are just as valid as the rights of the minority or the individual. A society has a right to protect itself from the unbridled exercise of rights by individuals or a minority which in the West has contributed to the collapse of morality and the structure of

human society.

If individual and minority rights are so totally inviolable then you must allow the resurgence of Nazism and their violently racist activities in Europe and elsewhere. But it is apparent that at least the West still think racist violence is wrong. We hope they will also accept that freedom from poverty and the wish to develop are essential elements of human rights. Finally countries like Malaysia must take exception to preachings on human rights from people who willingly condone and to a certain degree aid ethnic cleansing in Bosnia-Herzegovina. Until they redeem themselves there, all their talks of human rights sound hollow.

This litany of the woes of the developing countries and the world may seem endless. Actually the list is far from complete. Trade and protectionism, aid and debts, UNCED and pressures on environmental issues, Antarctica and many more have not been touched upon.

The world of the Post Cold War period is not a thoroughly bad place. But for the developing countries, including Malaysia, there is really very little to crow about.

A statement in the UN Assembly is not going to change the world. But there is really nowhere else that the woes of the third world can be aired. Not to air them is to encourage the kind of supercilious arrogance on the part of those who are most responsible and yet still presume to extoll their own virtues and to preach to others. Even if the benefit is minimal, the truth must be told sometime.

# ***MEETING OF THE MINISTERS OF FOREIGN AFFAIRS AND HEADS OF DELEGATION OF THE MOVEMENT OF NON-ALIGNED COUNTRIES***

**Statement by Foreign Minister Datuk Abdullah Ahmad Badawi at the meeting in New York, on 4 October**

Allow me at the outset to record our deep appreciation to you and through you to the Chairman of the Non-Aligned Movement, President Soeharto, for leading this Movement. As a close friend and neighbour, Malaysia stands ready to extend our fullest cooperation to you in achieving the objectives of the Movement. I have no doubt that our meeting today, under your able leadership, would be fruitful and contribute to the effective participation of NAM members at this General Assembly.

## **Collective Global Leadership**

As we meet here today, the euphoria of the end of the Cold War some two years ago has come to an end. The end of the traditional East-West rivalry and the collapse of the Communist bloc has failed to usher in a new period of peace, stability and development. Instead, we are witnessing the outbreak of conflicts in various parts of the world. Age-old ethnic and nationalistic differences subdued for decades by totalitarian rule are resurfacing in the former Soviet Union and Eastern Europe. Critical international economics and social development issues remain unaddressed, with the marginalisation of developing countries. These problems and challenges call for concerted and collective global leadership.

For many, the liberation of Kuwait in January/February 1991, seemingly marked a watershed in the Post-Cold War era. It was portrayed as the harbinger of a new and shared world leadership operating under UN framework of collective security to reverse aggression and uphold international law. The so-called "new partnership of consultation, cooperation and collective action, united by principle and rule of law," as enunciated by President Bush at the time of the Gulf crisis, did not get off the ground.

The reversal of aggression in Kuwait two years ago stands in stark contrast to the epic tragedy continuing to unfold in Bosnia-Herzegovina. The unwillingness on the part of the Western countries, to take collective enforcement action to end genocide, terminate the policy of ethnic cleansing and reverse Serbian aggression, juxtaposes sharply with their determination to use force authorized by the UN Security Council to liberate Kuwait. Where are the rich and powerful who preach human rights and yet continue to witness the slaughter, rape and torture of the innocent Bosnians? The wilful carnage of innocent lives and the destruction of property in fact contribute to the demise of the United Nations member state before our very eyes.

Malaysia is deeply alarmed that the UN Security Council has not been able to take any resolute action. Yet, at the same time, it has denied the victims and the government of the Republic of Bosnia-Herzegovina, a member of the UN, its inherent right to individual or collective self-defense as provided for in Article 51 of the Charter. UN Resolutions are sidelined by the Peace Mediators in Geneva. Bosnia-Herzegovina raises serious questions about the future of the UN collective security system and global leadership exercised at the United Nations.

### **International Crisis**

Thankfully in the case of South Africa, the international community has stood together to successfully resist apartheid and put an end to racism. The recent establishment of a multiracial Transitional Executive Council denotes a watershed development, making the progress towards majority rule irreversible. This Movement, which has been at the vanguard of the international efforts against apartheid should welcome the recent address by ANC President Nelson Mandela calling for the removal of economic sanctions. We should heed his call to assist in the economic development of South Africa as well. NAM should continue to play its active role in the early attainment of a truly democratic, united and multiracial South Africa.

The historic development in South Africa I hope would be reflected in our Communique, just as I trust that there would be a clear reflection to the tragedy still unfolding in Bosnia-Herzegovina. Both issues are fundamental to this Movement. The struggle against apartheid has been a pillar of NAM's activities, while the situation in Bosnia-Herzegovina is the most serious international crisis confronting the international community since the end of the Cold War.

It would be remiss too, if I do not mention the Middle East situation, which has been on the United Nations agenda since 1948. Palestine and the question of a just and comprehensive peace in the Middle East have always been an important agenda item. Like others, Malaysia welcomes as a significant and historic event the Palestine-Israel accord on a declaration of principles regarding arrangement pertaining to self governing authority agreed between Israel and PLO and signed by PLO Chairman Yasser Arafat and Israeli Prime Minister Rabin on 10 September, 1993. Malaysia considers the accord as a watershed event that would pave the way to a just and comprehensive solution to the Palestinian question and the Arab-Israeli conflict.

### **Support to PLO**

However, Malaysia recognises that there is a long and difficult road ahead. As such, it is particularly important that the NAM countries and the international community extend all forms of necessary support to the Palestinian people at this historic yet critical moment in their history. In this regard, Malaysia would like to reiterate its full support to any initiative taken by the Palestinian leaders represented by the PLO to enable the Palestinian people to enjoy their full and legitimate rights, and obtain the return of the occupied territories including Al-Quds Al-Sharif. We stand ready to work with the PLO and other NAM members in reviewing the relevant UN resolutions at this General Assembly.

In the Plenary of the 48th UNGA, there are 162 items. However, not all agenda items will get the attention and focus of the delegations, as well as, of the media. It is important, therefore, for us to look at the areas and issues vital to the interest of NAM members, who are also all developing countries. In that regard, the agenda of our meeting today is a useful reference point. And I have already alluded to some of the political-security issues.

## **“Agenda for Development”**

The North remains preoccupied with human rights, peacekeeping and cost-cutting measures at the United Nations. There is an increasing perception that the North sees the United Nations as primarily an organisation for maintaining international peace through peacekeeping, providing humanitarian assistance and disaster relief. This perception seemingly obfuscates, and ignores the development dimension of the United Nations. The United Nations must address all development issues if it is to truly become the international vehicle for peace, democracy and development consistent with the articles of its Charter.

It is therefore timely for this Movement to spell out its own expectations of the ongoing debate. As I listened, and read reports of the various statements by our leaders and representatives at the Plenary, I discern a major trend. All developing countries have, together with some developed countries called for an “Agenda for Development”, without which the “Agenda for Peace” would be ineffective, and over time it may become irrelevant. No amount of money and resources on peacekeeping can bring about peace and stability if there is no development.

The opening statement by the President of the 48th UNGA Ambassador Insanally clearly captured the salient issues confronting the international community. He rightly focussed the need for an “Agenda on Development” in his comprehensive statement which has set the tone for this Session.

### **Streamlining Peacekeeping Role**

As one of the countries that has consistently participated in the number of United Nations peacekeeping activities, Malaysia welcomes the efforts and initiatives

to streamline the United Nations peacekeeping role and activities. It is overdue as the events in Somalia demonstrates. Fundamental questions relating to doctrine, mandate, financing, duration, size and composition have to be addressed and resolved. Malaysia welcomes the proposal to establish an open-ended Working Group which would prepare and coordinate NAM's position on this matter.

Concerns over security issues should not be at the expense of development activities of the United Nations. Malaysia is certainly concerned at the decreasing levels of official development assistance, as well as, the reduced contributions from donors to those UN agencies dealing with development activities. While the peacekeeping budget has increased exponentially, almost four times more than operational development activities. Indeed, pledges for UNDP activities are even on a decline. This trend must be arrested, and reversed. The Agenda for Development must address this issue in a comprehensive manner.

### **UN Reforms**

We have been lectured on democracy and human rights, and in many cases subjected to external pressure ostensibly to promote democracy at home. Yet, when it comes to democratisation of the global decision-making process, the preachers of democracy and human rights have unashamedly rejected the very tenets they preach. UN reforms to date seem more apparent than real, more form than substance. An area which I would like to comment upon relates to the expansion of the Security Council. I am aware of the varying perception within our own group on this specific issue. Nevertheless, NAM has taken certain fundamental positions at the Jakarta Summit, including rejecting the veto power as undemocratic.

The present composition, both in terms of the Permanent Five and the non-Permanent Member no longer reflects the composition of the general membership. Accordingly, Malaysia has proposed to increase the membership by 10 with 4 seats to Asia, 4 to Africa and 2 to Latin America/Caribbean, bringing the membership of Security Council to 25. It is important that NAM should continue to exchange views and try as far as possible to coordinate on positions. Failure to do so may well strengthen the initiative to draft only two major economic powers from OECD to be the new members of the Security Council, while ignoring any from developing countries.

### Human Rights

As a member of the Commission on Human Rights, Malaysia recognises the need for increase in international dialogue and cooperation to address the issues of human rights in all their aspects in an objective, balanced and non-selective manner. Human rights should be the concern of all nations, but the only way forward is through enhanced international cooperation and not through acrimony.

One of the main issues at this Assembly relating to human rights would involve the question of the appointment of a High Commissioner on Human Rights. We must be clear in our minds on what the Commissioner's role is going to be and what are his responsibilities. For example, what will be his role in Bosnia?

Will he be allowed to investigate human rights situation with regard to the problem of xenophobia and racism in Europe and North America? The Malaysian delegation on our part will not be prejudging the issue. However, we would like to see adequate consultation, in a transparent manner, involving all UN members to

examine the mandate of the High Commissioner before a decision is taken up by the General Assembly.

### Peace and Development

Peace and development are indivisible. They are interrelated and mutually reinforcing. In this regard, the asymmetries and disparities between the North and South cannot possibly be sustained indefinitely. It would be against the interest of the countries of the North to perpetuate their domination of the world economy at all and any costs. Global prosperity, through growth and development, is to the benefit of all of us.

Yet at the same time, the world evidently remains characterized by a North-South divide. Many believe this divide could take on different forms, involving ethnicity and religion. It is therefore critical to continue the interaction between the North and South through appropriate forums and meetings. In this regard, we welcome the effort of the Chairman of NAM to relaunch the North-South Dialogue. At the same time, it is necessary for us to be clear over the framework and specificities taking into account the outcome of UNCED, the forthcoming Conference on Population and Development, and the 1995 Summit on Social Development, all of which serve to focus North-South concerns and aspiration.

Malaysia too looks forward to working together with our colleagues from Papua New Guinea on the agenda item of a United Nations Initiative on Opportunity and Participation.

The task ahead for NAM is onerous, as it attempts to chart our way in a world of constant change. The economic track that NAM has embarked upon, should not be at the expense of its political forte, built-up

assiduously over the years. There is still no other inter-regional organisation of developing countries providing political leadership on such issues as human rights, peacekeeping and the reforms of the Security Council. These issues would no doubt figure prominently at this Assembly. In the economic sphere, G77 has done remarkable work. NAM should not duplicate the work of G77. NAM can provide the much needed leadership in the various other Committees where G77 is not directly involved. NAM and G77 should complement each other in the interest of its members.

Finally, looking back over the Cold War, one can ask whether after the end of the ideological battle, the world is to be left in a state of competing spheres of influence amidst an alarming increase of nationalistic and sub-nationalistic rivalry? The world has become

more prone to violence. At the same time, development in the South remains unattended after the neglect of over four decades due to the Cold War. There is a preceptible chance to exercise proper, universally helpful leadership this time - not one in terms of contending camps. But also a leadership that clearly takes into account the need of all, not selectively, for example, to help Russia and neglect assistance to the poor in the South. NAM in the post Cold War has an important role in providing the leadership to the South. I believe NAM can help meet the challenge of change. The world is so enmeshed it is beyond the management of one or a few nations. A new realism has to be struck between necessary vision and principled pragmatism; between awareness of people as individuals and as coherent national identities; between the needs of individual nations and a global networking of interests. We all must rise to the challenges of the post Cold War period.

# ***17TH ANNUAL MEETING OF THE MINSTERS OF FOREIGN AFFAIRS OF THE GROUP OF 77***

**Statement by the Foreign Minister in New York, on 5 October**

I wish to extend my deep appreciation to Colombia for providing the leadership to G-77 during this General Assembly. The G-77 has to address various issues at the 48th General Assembly. I have no doubt that under your chairmanship, the G-77 would succeed in making effective contributions to the ongoing debate on the various issues.

I would also like to welcome our new member the Federated States of Micronesia and extend our warm congratulations to Algeria for its election to be the incoming Chairman of the Group.

## **Economic Stagnation**

The global economic scenario remains uncertain. With the exception of a few countries, the general outlook gives little encouragement. The expected growth and recovery of the major industrialized economies has failed to materialise. Instead, they continue to be beset by internal difficulties of stagnation, rising unemployment and social displacement. As for developing countries, the overall picture is at best mixed. While I come from a part of the world that has witnessed steady growth, the same cannot be said of most of the other parts of the world. Developing countries continue to be beset by a range of problems. These problems would have to be addressed by the international community, including here at the United Nations. After all, the United Nations is the apex of the intergovernmental multilateral institution. It is tasked by its charter to

address, among others, socio-economic issues. Yesterday, at the meeting of Foreign Ministers of the Non-Aligned Movement, I had the opportunity to comment on the emerging consensus for an Agenda for Development. I am happy to note that the Draft Communique has made specific reference to it. The Agenda for Development is critical for developing countries. This is aptly reflected in the communique. It must remain a priority preoccupation for all developing countries at this General Assembly.

I would also like at this juncture to comment on the linkage and interrelationship between NAM and G-77. Last evening at the NAM meeting, Foreign Minister Ali Alatas clarified in categorical terms the linkages. Clearly, G-77 and NAM are complementary and closely interlinked. Together they would have to promote the collective interests of developing countries. After all, all members of NAM are members of G-77. This is not the time for misperception on apprehension of the roles and functions. There is so much at stake for us and we risk further marginalization.

Both NAM and G-77 must provide the leadership for developing countries in the various forums, consistent with our resources and expertise. Developing countries must make effective representation in the work of the Commission of Sustainable Development, in the GEF process, which is now at a critical stage, in the World Summit for Social Development, and the Conference on Population and Development. They must coordinate and work closely at GATT and the

Bretton Woods institution. We must take stock of these developments as we prepare for this General Assembly. There are many meetings and forums where collective and coordinated positions of developing countries would go a long way in the promotion of our interest. These opportunities must not be squandered away. Individually these meetings and forums do provide the occasion to exchange views with the North in promoting the cause of peace and development. In this regard, we do see the need for an overarching North-South Dialogue at an appropriate time and within an acceptable framework. In the meantime, we must not fail to make use of the existing avenues and forums. We must seriously engage our partners in an effective dialogue and be prepared to undertake a concrete programme of action.

### South-South Cooperation

South-South cooperation and interaction is crucial in the efforts to improve the lot of developing countries. The recently held meeting of IFCC VIII has renewed the commitment to the Caracas Programme of Action, agreed to some 12 years ago. While many of its initiatives within this framework, apart from the Global System of Trade Preferences among developing countries (GSTP), achieved limited success, the concept of Economic Cooperation Among Developing Countries (ECDC) remains valid. This concept has been extremely successful and a strong force not only in bringing about progress but also in fostering greater mutual understanding between developing countries. Our own experience in the context of ASEAN is indicative of the extent to which ECDC through cooperation and mutual complementation can expand the frontiers of growth opportunities within the region and beyond. It is our understanding that the various regional groups have also registered significant progress in fostering ECDC among countries within the respective regions.

The potentials of ECDC of course cut across regions. The promotion of trade and investment in goods and services between developing countries offers tremendous potentials for promoting growth of developing countries. In building mutual understanding and commitments, there are obvious prerequisites such as in exchange of information, in harmonizing certain rules and procedures and in making specific arrangements to facilitate transactions such as the setting up of Bilateral Payment Arrangement. In the area of exchange of information, I wish to bring to your attention the successful effort being undertaken by the South Investment Trade Technology Data Exchange Centre (or SITTDEC) to offer a reservoir of information about what is available within the developing countries. I do hope more countries of G-77 would avail of this facility. With further support of all developing countries the wealth of information can be expanded so that it can function as a one-stop reference centre and can effectively facilitate a more effective ECDC among the developing countries.

South-South cooperation offers tremendous options and opportunities for fostering greater growth prospects among developing countries. It is thus incumbent upon us to continue to explore the various modalities, and enhance our creativity to optimize and reap the potential benefits of this framework. Again in the case of Malaysia and number of other developing countries, the Bilateral Payments Arrangements has contributed to increased trade between developing countries. My delegation would be prepared to share the relevant information with all interested delegations.

### Socio-Economic Development

The challenges facing the developing world will always be ever increasing. While it is legitimate and urgent that the UN should focus on political and security

issues, the socio-economic development agenda must not suffer neglect in the process. The restructuring exercise of the UN in the economic, social and related fields has made some progress. But those changes have some yet to be translated into any new and concrete actions to revitalise international development cooperation. On the contrary, there has been a contraction of funds for developmental activities despite the increasing competing demands. There must be more accountability and responsibility on the part of the global community to expand and improve the effectiveness of the Programmes and Funds. There must be new and additional resources for operational activities for development and on immediate fulfilment to the 0.7

percent of GNP to ODA commitment. This must continue to be pursued and retained as one of the top agenda items of the UN. Global peace can be secured and sustained only if there is equitable and sustainable progress in development. Without such a prospect, the structural imbalance will persist, and pockets of instability and civil strife could easily develop into open conflicts, threatening global peace and security.

The challenges are many while the resources are limited but we must continue to strive for the collective good as well as our respective countries' benefit. We cannot afford not to do our act together, especially at this time of rapid and critical changes.

# **COMMONWEALTH HEADS OF GOVERNMENT MEETING**

**Reply by the Prime Minister to the address of welcome by the President of Cyprus at the opening of the meeting in Nicosia, on 21 October**

It is indeed a privilege and an honour for me to be among the speakers chosen to thank President Clerides and the people of Cyprus for their warm and gracious welcome to Commonwealth leaders who are gathered here today for the Commonwealth Heads of Government Meeting (CHOGM).

We share with you, Mr President, your pride in playing host to this august gathering which will mark yet another milestone in the forging of friendship among a community of nations that calls itself the Commonwealth. Having had the experience of hosting CHOGM ourselves, Malaysia is well aware of the tremendous effort that has been put in by you Mr President, by your government and by the people of Cyprus to make our stay here a memorable and comfortable one.

I am sure the other Commonwealth leaders would join me in expressing our most sincere appreciation for your gracious words of welcome and for your kind hospitality.

As we look back to our last meeting two years ago in Harare, we can take pride in the fact that the Commonwealth has moved many steps forward in several areas of cooperative endeavours.

The priorities we agreed on at Harare in charting a path for the Commonwealth through the 1990s and

beyond are now being translated into action by our officials. The Steering Committee of Senior Officials, whose first meeting was chaired by Malaysia in April this year, will provide broad operational policy and resource allocation guidance to the work of the Secretariat in the furtherance of the priorities in the Harare Commonwealth Declaration. It is my hope that the Secretary-General will, within the framework of a more streamlined structure of the Commonwealth, continue to provide direction to the Secretariat in line with the same principle of good governance which the Commonwealth is advocating among member countries.

## **Dismantling Apartheid**

Within the context of Commonwealth political cooperation, our greatest success, since Harare, has no doubt been in South Africa. The Commonwealth has long struggled to dismantle all vestiges of apartheid in South Africa. We have led the international crusade to eradicate from our midst a practice which unjustly segregates man from man because of the colour of his skin. We have, CHOGM after CHOGM, pursued the matter with relentless fervour. We have kept the issue under constant scrutiny. It is therefore with great sense of gratification that we, in the Commonwealth, welcome the recent passage of the bill on the establishment of the Transitional Executive Council by the South African Parliament. We hail this event as an irreversible

ible step that will bring South Africa nearer to the Commonwealth goal of a free, democratic, non-racial and prosperous country. While there is still some way to go before this goal is fully achieved, we nevertheless see this bold step taken by the South African people as a determined and genuine desire to see the end of apartheid. We are all, I am sure, ready to help South Africa recover from the after effects of sanctions.

Our gratification, at the developments in South Africa comes from the knowledge that we have succeeded in bringing justice and equality to our brothers there. Our gratification comes from the knowledge that our efforts have not been in vain. Most of all, our gratification comes from the knowledge and belief that through concerted efforts even the most intractable of political problems, apartheid, can be resolved. There is a lesson to be learnt here. World leaders, in trying to find a solution to the problems in Bosnia-Herzegovina and elsewhere, can usefully draw upon the Commonwealth experience in South Africa.

Just as we can join forces in bringing pressure to bear on the white South African government to tear down the walls of apartheid, so can we join forces to bring pressure to bear on the powers who hold the key to the solution of the Bosnian problem.

### **Bosnian Problem**

The position of Malaysia on Bosnia-Herzegovina is well known. Many are inclined to think that we are influenced by our common religion. I would like to point out that Malaysia had been equally active and as vehement in South Africa, Namibia, Cambodia and other non-Muslim communities which faced similar problems. We feel strongly when injustice and oppression are perpetrated anywhere. The incessant slaughter of innocent people, young and old in Bosnia-

Herzegovina, continues under the full glare of media coverage -- served to us on our television screens together with our evening meals. The bloody massacre turns even the most sturdy of stomachs. And all for what? For the sake of territorial aggrandizement! For the sake of ethnic superiority! For the sake of a Serbian dream! Enough is enough. We in the Commonwealth must help to find an equitable and just solution to this holocaust if we want to stand tall and uphold the very principles we had so vehemently lauded in Harare, that is:

- the protection and promotion of democracy .....
- the protection and promotion of fundamental human rights .....

Some of us even went so far as to say that where human rights violations are concerned we have a right to intervene even in the internal affairs of a country. Yet in Bosnia-Herzegovina, where ethnic cleansing involves blatant murders and rapes of Bosnian Muslims by Bosnian Serbs aided by the Serbian Government of rump Yugoslavia, the righteousness that some of us display over minor infringements of human rights, is remarkably absent. Instead the Serbs are to be rewarded with territories they have ethnically cleansed. Can we in the Commonwealth who had appealed for outside cooperation to help some of our members in need, ignore the Bosnian tragedy and elect to be silent simply because this is not a Commonwealth affair?

### **Issues of Common Concern**

Elsewhere on the political and economic front, there are other crucial issues to be addressed. While we rejoice at the recent signing of the Peace Accord between Israel and the Palestine Liberation Organisation, we grieve at the news of the ongoing conflicts in Somalia, in Georgia and in other regions of the world.

While we welcome the economic success of many emerging 'dragons and tigers', we worry about growing protectionism through the emergence of trade blocs. We keep hoping, as we had hoped all these years, that the Uruguay Round of trade negotiations, the guardian of free trade, will come to a conclusive end by the close of this year.

The CHOGM Executive Sessions that will begin this afternoon will provide us with the opportunity to deliberate at length on these issues of common concern. Since the Commonwealth's membership spans the North-South divide, I have every hope that a common position on these issues can be fully explored and exploited. Malaysia has a number of issues it intends to raise including those pertaining to Commonwealth Functional Cooperation. Malaysia will be tabling some new proposals on the Commonwealth Consultative Group on Technology Management, a project approved at the Kuala Lumpur CHOGM in 1989.

A gathering of nations is only worthwhile if it speaks with one voice. On South Africa, the Commonwealth not only spoke with one voice but acted in unison

as well. The result is clear for everyone to see. But racial intolerance is not found only in South Africa. Easy mobility of people is making many countries multiracial. While countries have a right to favour their own citizens, I hope the Commonwealth will always stand united against the many forms of religious, racial and pigmental intolerance.

In conclusion, I would like to recall my statement, said tongue-in-cheek at earlier CHOGMS, that there is no common 'wealth' in the Commonwealth. I would like to add a sequel to that statement here in Cyprus by saying that we can, if we want, make common 'wealth' out of the Commonwealth. And this common 'wealth' need not necessarily be confined to material wealth. It should transcend the material to include racial harmony and religious tolerance.

Once again, on behalf of my wife and members of my delegation, I would like to thank you for your warm words of welcome and for your most gracious hospitality. I look forward to our deliberations in Limassol and Paphos under your skillful chairmanship.

## ***48TH UNITED NATIONS GENERAL ASSEMBLY***

### **Statement by Ambassador Razali Ismail, Permanent Representative of Malaysia to the United Nations at the General Debate on Disarmament and International Security Issues in New York, on 21 October**

As this is my first intervention, I would like to begin with my congratulations to you and the members of the Bureau on your recent election. I am confident that with your able guidance, this Committee would effectively tackle the various issues on the Agenda. The Malaysian delegation stands ready to make our contributions in the heavy task ahead of all of us.

We would also like to thank you and Under Secretary-General Mr Marrack Goulding for your important statements when this Committee began deliberations early this week.

#### **Disarmament and Security**

The winds of change from the end of the Cold War have left indelible imprints on issues relating to disarmament and international security. The threat of a nuclear holocaust from two ideologically distinct and antagonistic blocs is over. There have been positive developments in the field of nuclear, chemical and conventional disarmament. The signing of the Chemical Weapon Convention (CWC) in January 1993 represents a major milestone in multilateral cooperation to ban a whole category of inhumane weapons of mass destruction. At the same time, a Register of Conventional Arms has been established. Regional undertakings and contributions have played an important role in contributing towards disarmament and security. Above all, the United Nations, in particular the General Assembly, has been in the forefront of the global drive towards a genuine and determined effort towards disar-

mament. These developments notwithstanding, the world is still far from complete disarmament, a goal cherished by all countries committed to peace and security.

Malaysia remain committed to the goal of attaining a general and complete disarmament in the world. Nuclear disarmament is a paramount disarmament concern. The world community, especially the nuclear weapon states have the obligation to ensure the end of the nuclear arms and the phasing out nuclear weapons. Nuclear weapons should no longer be a factor of power leverage, not only in the context of major countries but among other countries as well. In this regard too, we would like the moratorium on testing to be maintained.

Malaysia was one of the 130 states that signed the CWC during the opening ceremony in early January 1993 at Paris. The Convention represents the first multilateral post cold War Agreement in the field of disarmament. The CWC could be termed the most serious attempt to curb proliferation by eliminating a whole category of weapons of mass destruction. The provisions of the CWC on the destruction and elimination of weapons of mass destruction, as well as international verification, are now benchmarks for future arms limitation agreements. It was achieved after many years of protracted negotiations but participating countries were able to achieve compromises and concessions resulting in a reasonable equilibrium between the need for confidence building and verification and the sovereign right of member states to protect national security interests in the peaceful pursuit of national economic and technological growth.

## International Peace

The CWC, we believe, could help in improving the 1973 Biological Weapons Convention. The two regimes could over the years be harmonized, as they represent indispensable elements in global efforts to deal effectively with weapons of mass destruction.

Earlier in the year, the Conference on Disarmament (CD) was mandated to negotiate a comprehensive nuclear test ban treaty (CTBT). This is a welcome development which many countries have called for over the years. For the first time in its 15 years history the CD has been mandated to negotiate a nuclear test ban, making a commitment by all nuclear weapons states to engage in test ban negotiations.

Among the most pressing issues to be resolved would be the relationship between negotiations in the CD and any parallel consultations or negotiations among the five nuclear powers and the Conference to Amend the Partial Test Ban Treaty (PTBT). We share the view of those countries which insist on giving primary negotiation role to the CD rather than any five power arrangement, and also to work with the Amendment Conference.

We also wish to underline the need for an internationally applicable verification system for compliance with the CTBT. The system would contribute to the prevention of the proliferation of nuclear weapons in all its aspects and therefore to the enhancement of international peace and security. Clearly, the CTBT should be universally applicable, to non nuclear weapons states as well as to nuclear weapon states. The conclusion of such a Treaty would have a decisive influence on the outcome of the 1995 Nuclear Non-Proliferation Treaty (NPT) Review conference as well.

The NPT with 157 States, including Malaysia, is so far the most widely supported arms control treaty in existence.

## Nuclear Non-Proliferation Treaty

The major criticism of the NPT is that it is fundamentally discriminatory since it establishes a distinction between nuclear and non nuclear state: the haves and the haves not. Further, the long overdue fulfillment of obligations under the Treaty by a number of State parties has always raised considerable concerns among the majority of State parties advocating the full and non discriminatory implementation of the Treaty ever since it came into force.

NPT also suffers from several shortcomings especially concerning its monitoring and verification mechanism. While trying to avert horizontal proliferation, the NPT does not address, in an effective way vertical proliferation. Accordingly, there is a need to review the NPT to address existing deficiencies and to make it an instrument for achieving the complete elimination of nuclear weapons. A holistic approach to non proliferation which is universal, comprehensive and non-discriminatory is urgently needed.

The 1995 Review Conference should therefore include discussions on the substance of the Treaty, as well as its extension, taking into account the realities of the post Cold War era. Malaysia shares the views of those countries that have called for universal adherence to the NPT and for its unconditional and indefinite extension in 1995. At the same time, we are mindful that some states are of the view that the central issue today is not the NPT nor its extensions, but how to put an end to proliferation and to eliminate nuclear weap-

ons. This is particularly significant given the consideration that the number of non-nuclear weapon States had voluntarily decided not to acquire nuclear weapons.

### **Transfer of Armaments & Disarmaments**

Transparency in armaments is an important new focus of confidence building measures to achieve international disarmament.

International security and stability would be enhanced by increased openness and transparency in the military field particularly in the area of arms transfers. Thus, there is an urgent need for the United Nations to ensure the successful implementation of the Arms Register given its potential to foster a climate of mutual trust and restraint, leading to greater regional and international peace and security.

The Register currently covers only import and export data, relevant information on military holdings and procurement through national production. There is a need to expand the scope of the register by addition of further categories of equipment and data relating to military holdings and procurement. For the future, the Register could further be improved by including detailed information on R & D, arms storage conditions and military budgets. There is even a proposal for an elaboration of a code of conduct for arms transfer and to address the issue of mercenaries.

Malaysia believes that the United Nations has a pivotal role and primary responsibility on all issues of disarmament, given global implications as well as the global reach of the United Nations. We support the role of the United Nations in all multilateral disarmament efforts including a greater role by the General Assembly, besides that of the United Nations Security Council

as indicated by the United Nations Secretary-General in his report on New Dimensions of Arms Regulation and Disarmament in the Post Cold War Era.

Malaysia shares the belief of the United Nations Secretary General in the report that disarmament is the responsibility of all states and that they should be involved in a global process to achieve multilateral arrangements. We also support the call by the Secretary-General in his report that regional countries should take the initiative on their own or in consultations with international organisations to work towards greater transparency in the transfer of armaments and disarmament so as to increase regional security and stability. In this regard, ASEAN has undertaken specific initiatives consistent with the traditions and practices within the sub-region. And my distinguished colleagues from ASEAN have already alluded to them.

### **Reallocation of Resources**

Disarmament would contribute not only to international peace and security but also to further economic development; resources freed from military expenditure and defence needs could be better utilized to advance economic development. We wish to reiterate the close linkages and inter-relationship between disarmament and development. Excessive military expenditure stifles economic growth and adversely affects the scope and content of international economic cooperation. The United Nations Institute of Disarmament Research calculates that the world continues to spend nearly US\$2 million a minute on arms. Third World countries cannot afford to join in the arms race. The world, in particular the developing countries and the economies in transition require development and not armament. Although the so called "peace dividend" never materialised, productive resources both in terms of men and materials freed as a result of disarmament

should add to the armoury in the relentless pursuit of alleviating poverty. Let us not forget that a quarter of the global population goes hungry every night and continues to live in abject poverty.

Given the fact that current conflicts are often regional and intrastate in nature, it is important that resolution of regional dispute are essential for the creation of conditions which would enable states to reallocate their limited resources from armaments to economic growth and development.

Given the importance attached to the Conference on Disarmament, we wish to call on the members of the United Nations Conference on Disarmament to also take into account the view of countries not members of the Conference. Failure to do so may result in these countries rejecting in the future treaties and agreements

reached at the CD. In this regard too, I wish to underline our support for the expansion of the CD in order for it to reflect a better geographical balance in its membership in view of the number of countries that have gained independence since its inception.

In conclusion, the time is conducive to the achievement of genuine disarmament. A new system of international security must be built. To be viable, it has to instil sufficient confidence in states to assure them that they no longer need abundant weaponry. Such a system must also address the burdens of effective weapons disposal and the unavoidable consequences of implementing reduction. Such a comprehensive exercise must involve specific and tangible efforts to redirect manufacturing, research and development capacities, as well as soldiers and technical personnel, from military to civilian endeavours.

## **Statement by Mr M Redzuan Kushairi, Deputy Permanent Representative of Malaysia on Agenda Item 11, Report of the Security Council at the Plenary in New York, on 28 October**

Once again my delegation is participating in this debate to express our concerns and offer some suggestions relating to the report of the Security Council as contained in doc. A/48/2.

The Malaysian delegation believes that this is an important task which should be fulfilled by the general membership in a meaningful and constructive manner. The general membership should seriously and carefully examine the Council's report and determine whether the Council has fulfilled its role as defined in the Charter. They should not refrain from questioning any of the decisions and making their recommendations on matters that they may deem necessary. This is also an opportunity for members to comment on the workings of the Council. These are indeed important functions for the general membership given the vastly increased workload and expectation of a more effective Security Council following the end of the Cold War and East West ideological rivalry. So important is our responsibility that as many countries as possible should in fact participate in the debate.

My delegation finds it odd that right in the introductory part, it is mentioned that the Report "is intended not as a substitute for the records of the Security Council, which constitute the only comprehensive and authoritative account of its deliberations, but as a guide to the activities of the Security Council during the period covered". This is not acceptable and it is time for the Council to discard such narrow intention or purpose of the Report. Certainly Articles 15 and 24 of the Charter expect much more in the Report of the Security Council to the General Assembly. It cannot be a mere diary of activities and decisions of the Council. Both,

Article 15 and Article 24, explicitly establish the obligation of the Security Council to report and be accountable to the General Assembly. There cannot be representation and delegation of power without responsibility and accountability.

### **Revitalising General Assembly**

In the spirit and letter of Articles 15 and 24 of the Charter, my delegation believes that the format and content of the Report of the Security Council should be modified and restructured. What is needed is a substantive and analytical reporting and not a mere compendium of meetings and decisions. The Report of the Secretary General on the Work of the Organisation could at least form an appropriate model for the Council to restructure its format and content of its reporting. The Report of the council, like the Report of the Secretary General, should include an objective analysis and comments. The Council's Report should also contain explanation of its decisions and should account for its actions or inactions. Ways should also be devised to incorporate the views of the general membership in the Report.

In this connection, Malaysia attaches great importance to the work of the informal open ended working group of the General Assembly relating to the revitalisation of the work of the General Assembly. In Resolution 47/233, which was adopted by consensus, we agreed to have substantive debate on annual reports to the General Assembly by other principal organs of the United Nations and decided to continue consideration of the revitalization process of the General As-

sembly at its forty eight session in a comprehensive manner in an informal open ended working group, which will make proposals as appropriate on question relating to, inter alia, the rationalization of the agenda, the reports from the other principal organs of the United Nations in accordance with the Charter and the reports requested of the Secretary General.

### **Exclusive Club**

The Malaysian delegation remains seriously concerned at the tendency among the Permanent five to confine much of the substantive work of the Council amongst themselves, and, turning the Permanent Five into some kind of an exclusive club. We are concerned that formal meetings of the Council are becoming increasingly short, more and more as proforma occasions, with most discussions and decisions taken in closed informal meetings to the exclusion of interested parties and the general membership. Regrettably, this unhealthy work culture of the Permanent Five is becoming more and more entrenched affecting the overall work of the Council.

My delegations is disturbed to witness the increasing tendency on the part of certain influential members to be selective in addressing questions of international peace and security that come before the Council. It is a cause of serious concern that the Council is being perceived as being manipulated to advance the foreign policy interests of a member or group of members. The concept of UN collective security is being undermined by the application of double standards to serve the political interests or expediency of certain Permanent Members of the Council. The procrastination and half hearted approach to end Serbia's blatant aggression and practice of ethnic cleansing in the Republic of Bosnia and Herzegovina is a clear example of the Council's selectivity and double standards. The Coun-

cil appears to be locked in a political paralysis with some influential members weighing the political, financial and manpower costs to get involved in the crisis. The unwillingness on the part of the Security Council to enforce its own resolutions and respect the General Assembly Resolutions 46/242 and 47/121 calling for cessation of hostilities and respect for humanitarian law in the Republic of Bosnia and Herzegovina would definitely undermine the credibility and faith placed in the Security Council and the concept of the United Nations collective security. On Bosnia Herzegovina, the Council has repeatedly failed in fulfilling its obligation under Article 24 of the Charter to take prompt and effective measure to restore peace and stability. Worse still, the Council continues to deny the inherent right of the victim of aggression and genocide, the government of Bosnia Herzegovina, its inherent right to collective or individual self defence under Article 51 of the Charter.

### **Respect, Integrity and Transparency**

During this crucial moment in the history of the United Nations, we all wish to see the Security Council effective and unanimously respected for its integrity. In this respect, the Council should strive to gain the trust and confidence of the general membership by reassuring in practice of the following: the Council will not be the tool for imposing the will of the strong upon the weak; that the Council will avoid selective and discriminatory approaches to international crisis, leading to a condition in which the world affairs would be determined by one or a small group of powerful states; that the Council will respect the principle of transparency and democracy in its work and will become responsive to the views of the general membership of the Organisations; and that the Council will not exceed its Charter mandate.

As the custodian of international peace and security, the Security Council in carrying out its responsibilities on behalf of the members of the United Nations, must act in conformity with the provisions of the Charter, particularly Article 24. In this regard, the Security Council before taking major decision or action is duty bound to consult regional groupings, troops contributing countries and the general membership. Security Council resolutions should reflect the common will of the international community and not serve the narrow interests of the Permanent Members and their allies. As the Secretary General observed in his report on "An Agenda for Peace", the agreement among the permanent members of the council must have the deeper support of the other members of the Council, and the membership more widely, if the Council's decisions are to be effective and endure.

The members of the Security Council should always bear in mind that their representation in the Council extends beyond one's own national entity. The permanent members have a special responsibility because of the privileges accorded to them by the international community as a whole. As such, they should not be dictated by the confines of their narrow national interests. As for the non permanent members, they have larger duty to a larger constituency the regional group that they come from and others that elected them. They should not succumb to pressure or manipulation by the influential members of the Council.

### **Positive Changes**

At the same time, my delegation recognizes that there have been some positive changes taking place lately at the Security Council with regard to its work and documentation. My delegation would like to take this opportunity to express our appreciation to the President of the Security Council for the month of August,

Ambassador Albright of the United States for her initiative to bring about greater transparency in the work of the Council. During her presidency, there were efforts at consulting interested parties and the general membership on many issues that were before the Council. This positive attitude should be encouraged and indeed adopted as a standard working procedure by the Security Council.

My delegation also welcomes the decision of the Security Council as contained in doc. S/26176 dated 27 July 1993 in which Council members agreed to transmit their tentative forecast of the programme of work for each month to all member states. This positive action we believe, should also be extended to include other relevant documents of the Security Council, in particular statements or intervention notes of the Secretariat or members of the Security Council made at its informal consultations including draft resolution (s) being negotiated. The decision of the Security Council to include in the daily Journal of the United Nations the provisional agenda of its formal meetings also deserves our appreciation. We hope that the Security Council in the near future would adopt other measures necessary to bring about more transparency in its work.

An important aspect of the work of the Council in the maintenance of international peace and security which is missing from the annual Report is the question of financing. On this crucial subject, the Malaysian delegation shares the view of the Secretary General in his report on the work of the Organisation to the General Assembly this year in which he stated that "the United Nations cannot resolve the major problems on the international agenda in the absence of the political will, sufficient support and continuing commitment which each particular endeavour requires". In order to avoid any long term deleterious effects, it is imperative that all states, particularly the big contributors pay their assessed contributions in full and on time in accordance

with their statutory obligations to the Organization as provided for in Article 17(2) of the United Nations Charter.

In conclusion, I must underline Malaysia's strongly held view that the Security Council cannot function effectively and be more representative if we fail to expand its membership to reflect the dramatic increase in the United Nations general membership, which now stands at 184 members, as well as reform its method of work. This is the reason why the Malaysian delegation and the other members of the Non Aligned Movement are determined to restructure the Council to reflect a more equitable and balanced geographical representation and to reform the inner workings of the Council so that there is accountability, democracy and transparency leading to a harmonious relationship between the council and the General Assembly, while making the Council more effective in carrying its duties under the Charter. Statement by the Permanent Representative to the United Nations on Agenda Item 35: "Question of Palestine" at the Plenary in New York, on 29 November

The signing of the Declaration of Principles by the Palestine Liberation Organisation (PLO) and Israel on September 13, 1993 has brought fresh hopes and increased expectations to finding a comprehensive and durable solution to the Question of Palestine, an item which has been on the Agenda of the United Nations General Assembly for more than 45 years. In the political topography of the Middle East of unending violence and bitter hatred, the question of Palestine, arguably the most intractable of all issues, the signing of the Declaration of Principles like the past to a united future between blacks and whites in South Africa, further widens the horizons of possibilities in this post Cold War period of world history. The Malaysian Prime Minister Dr Mahathir Mohamad during his address to this Assembly on October 1 this year stated that "the recent signing of the PLO-Israeli peace agree-

ment and that between blacks and whites in South Africa must be regarded as the biggest achievements of the post Cold War period". He added "admittedly there is still a great deal to be negotiated before justice can be rendered to all sides and before true peace becomes permanent". The courage of Yasser Arafat and Yitzak Rabin in taking calculations of leadership that has brought about the forging of such a historic decision must commend our total support. My delegation would also like to take this opportunity to express our deep appreciation to all leaders and governments, for successfully working towards the September PLO-Israeli agreement. Norway, with its quiet diplomacy, has played a pivotal role in creating history.

### **Unequivocal Support**

Malaysia has consistently and unequivocally supported the Palestinian cause. An important pillar of Malaysia's foreign policy has been to lend our support to the Middle East peace process. We have over the years called on all parties concerned to demonstrate the necessary political will and good faith in resolving the conflict. In 1989 and 1990 when Malaysia was in the Security Council, we actively pursued and promoted the rights of the Palestinians in all aspects and we were critical over the political inertia on the issue within the Council. The latest developments should and must serve as a forward movement in the long and arduous search for a comprehensive, just and durable solution to the Arab-Israeli conflict. This agreement must help build mutual confidence that would ultimately facilitate the solution of the Palestinian issue within the framework of the relevant United Nations Security Council resolutions, in particular resolutions 242 and 338. These resolutions, in fact, provide for the inalienable rights of the Palestinian people, including their right to self-determination and to a homeland and the security of all states including Israel. To the Palestin-

ians and the Israelis, the agreement must propel forward, after a time, a climate of reason for wanting to work together for their betterment and the future of the region.

While welcoming the agreement, my delegation notes that this initiative had been undertaken outside the framework of the United Nations. It has been a fact that on the Palestine issue, the United Nations or more specifically the Security Council had contributed little. However, my delegation does not consider that the United Nations is irrelevant to the peace process. Indeed with this historic agreement we do see a direct and immediate role for the United Nations in the implementation of the agreement. We can identify various roles and functions of the United Nations through the Security Council to alleviate the long neglected welfare and needs of the Palestinians. Also, for Palestine as well as Israel, it is time to be again involved in the multifaceted activities of the United Nations especially on new special issues on which international and regional cooperation are necessary such as Environment and Sustainable Development, Human Resource Development and Social and Economic discussions of Human Security as well as Human Rights. The successful implementation of the agreement has to involve the international community in development and reconstruction that is so necessary to usher in peace and stability in a troubled part of our world. We do recognise that the Secretary-General has initiated specific moves for the United Nations to be directly involved as reflected in the participation of the United Nations at the Conference to support the Middle East Process, in Washington, DC, on October 1, 1993.

My delegation would like to congratulate the governments and leaders of the United States and the Russian Federation for organizing the Washington Conference. The Conference within weeks following the signing of the PLO-Israel agreement, demonstrates

the seriousness and commitments of all concerned parties towards building on this initial breakthrough and to strive to continue to bring about a new era of long-lasting peace, stability and prosperity to the region, beginning with the West Bank and the Gaza Strip. In no way should there be a relapse, back to confrontation and incessant conflict.

### Development Assistance

Coming from South East Asia, a region which has chosen in recent years to deemphasize the politics and practice of conflict, to highlight economic growth and potential, we do see the Middle East as a region of growth and development, if peace and stability is allowed to prevail. In this connection, Malaysia recognizes that both bilateral and multilateral assistance for the development and reconstruction of the West Bank and the Gaza strip is of crucial importance for the Palestinian self-rule and subsequent progress in the peace process as well as the future of Palestine and the whole of the Middle East region. As a demonstration of our support, Malaysia had joined the international community in pledging a modest financial contribution of US \$5 million to the Palestinian National Council authority to assist in its new task of reconstruction and development in the Gaza Strip and the West Bank. We had also declared our position to provide assistance in human resource development and institutional building within the framework of the Malaysia Technical Cooperation Programme on a priority basis.

Change, as symbolized by the agreement, posts both opportunities and challenges to leadership, in the region and to the rest of the international community. While the international community in general recognizes the positive geo-strategic influence, the leaders on the ground have to address opposition to the agreement as well. Already the euphoria of the agreement

has been marred by violence and destruction. The search for peace stability and development must however be allowed to take root. In this regard, illegal settlements must go as much as peace be given a chance to prevail. The international community should extend all forms of necessary support to the cause for peace.

### **PLO-Israel Agreement**

We look forward to the implementation of the PLO-Israel Agreement, to proceed unhindered as planned, particularly the withdrawal of Israel from the West Bank and Jericho and the conduct of free elections to elect the Provisional Transitional Council. There is also the urgent need to draw up a plan for the repatriation of some 700,000 expelled Palestinians since 1967. We commend the burden jointly shouldered by neighbouring Arab countries in providing temporary shelter for those displaced Palestinians. United Nations active participation in its implementation is of utmost importance as well.

The role of the United Nations in finding a comprehensive, just and durable solution to the Question of Palestine has acquired greater significance in the post peace agreement era. Like the determined role that the United Nations played in the granting of independence to Namibia, the United Nations must remain permanently seized with the Question of Palestine, until it is resolved with the Palestinians having their own homeland.

The plight of the Palestinian people has struck a sympathetic chord in all peace-loving people and Malaysians have always supported the heroic struggle of the Palestinian people in their quest for self-determination and to establish a sovereign independent state of their own. We deeply sympathize with the struggle of the Palestinian people through Intifadah for their na-

tional rights.

My delegation would like to reiterate its full support to any initiative taken by the Palestinian leaders represented by the PLO to enable the Palestinian people to enjoy their full and legitimate rights, and obtain the return of the occupied territories including Al-Qud Al-Sharif. We stand ready to work with the PLO and other countries in reviewing the relevant United Nations resolution at this General Assembly. We are also hopeful that the PLO and Israel as well as other Arab states in the Middle East will build on the initial success of the PLO-Israel agreement and continue to strive to bring about a new era of long lasting peace, stability and prosperity to the region. Statement by Ambassador N Parameswaran, Representative of Malaysia on Agenda Item 34: The Situation in the Middle East at the Plenary in New York, on 1 December.

The General Assembly has been seized with the issue of the Middle East conflict for almost as long as the United Nations has been in existence. Integral to this issue is the Question of Palestine. Despite various efforts to find a comprehensive and overall settlement to this very complex problem which involves the interests of the Palestinian people, represented by the Palestinian Liberation Organization, and a number of countries in the region, it was unfortunate that peace eluded us.

The signing of the recent Declaration of Principles between the PLO and Israel relating to the West Bank and the Gaza Strip marks a new breakthrough in the steps towards a comprehensive and overall solution to the long-protracted Middle East conflict. This unprecedented development, which we thought impossible in the past, has been able to take place because of the new state of international relations which now exists as a consequence of the end of the Cold War.

## Declaration of Principles

When the Assembly considered agenda Item 35 on the Question of Palestine two days ago, the PLO-Israel Declaration of Principles had been widely welcomed by Member States. However, the momentum created by this initial step should not be lost. We therefore reiterate our call to the parties directly concerned to ensure the full and timely implementation of the various understandings arrived at in the recent Declaration of Principles.

The Declaration of Principles, however, is only the beginning in the long search for permanent peace in the Middle East. While it addresses the initial concerns of the Palestinian people and Israel, the other pending issues affecting the other states in the Middle East region such as Syria, Jordan and Lebanon, would also need to be addressed expeditiously in the continuing efforts for a comprehensive settlement. These and other issues are relevant in the General Assembly's current consideration of Agenda Item 34 on the situation in the Middle East.

Malaysia has consistently voiced its support for a comprehensive solution to the Middle East conflict, one that would bring lasting peace and stability to all the countries in the region, in line with Security Council Resolutions 242 and 338. We are therefore optimistic that the political goodwill that propelled the signing of the recent PLO-Israel Declaration of Principles could now be extended to also finding solutions to the outstanding problems in the Middle East conflict. In this regard, Israel should now actively pursue negotiations which would bring about Israeli withdrawal from the occupied Syrian Golan Heights as well as from other occupied Arab territories, consonant with the various Resolutions of the United Nations.

## Comprehensive Solution

We also hope that all Member States would not take any action that would further complicate the search for a comprehensive solution to this problem. Member States should also strictly comply with General Assembly Resolution 47/63B of 11 December, 1992 which deals with the transfer by some states of their diplomatic missions to Jerusalem in violation of Security Council Resolution 478 (1980) of 20 August 1980. In fact, Malaysia firmly believes that the question of Jerusalem itself should receive special consideration in the peace process.

There is also the need to consider other relevant issues. One of these is the prevalent belief that Israel possesses a nuclear capacity and this has no doubt engendered fears among the countries in the region and has to a large extent, contributed to the arms build up in the region. If in fact Israel does possess a nuclear capacity, then its nuclear activities and facilities should also be subject to IAEA safeguards and inspections. On this nuclear issue, it is important that the United Nations be seen to be acting even-handedly in regard to all those countries which are alleged to have similar nuclear capacity. Malaysia would like to reiterate its support for the establishment in the Middle East of a nuclear weapons-free zone as well as a zone devoid of other weapons of mass destruction including chemical and biological weapons.

We have this year seen positive developments in the search for permanent peace in the Middle East. This process must move ahead unhindered. Hopefully, when we take up this item again at next year's Session, we will be in the position to take note of further positive developments in the Middle East.

**Statement by the Permanent Representative to the United Nations on Agenda Item 42: "The Situation in Bosnia and Herzegovina" at the Plenary in New York, on 17 December**

The first words of the Charter of the United Nations read and I quote:

"We the people of the United Nations determined to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind, to reaffirm faith in fundamental human rights, and in the dignity and worth of the human person." Unquote

As a member of the United Nations, Malaysia is ashamed that this Organisation has failed to put an end to genocide and the most serious violations of humanitarian law since the Second World War taking place in the Republic of Bosnia-Herzegovina. It is incomprehensible how ethnic cleansing and horrendous atrocities committed by the Serbian forces in Bosnia-Herzegovina have been allowed to continue for almost two years now. The debate today is not only to express our anguish over the unfolding tragedy in Bosnia-Herzegovina, but also to throw into question the commitment of the Security Council and of powerful nations to uphold international law and protect the most fundamental of human rights - the right to life. The purpose of the draft resolution on Bosnia-Herzegovina is to affirm strongly that we are determined to uphold the rule of law and to remind the Security Council that it has the obligation under Article 24 to take prompt and effective action to restore peace and stability in Bosnia-Herzegovina.

On an almost daily basis, we have been watching on our television sets pictures of the slaughter, the savagery and the destruction of Bosnia-Herzegovina. The Special Rapporteur of the Commission on Human

rights, Mr Tadeusz Mazowiecki, in his latest report Document S/26765 dated 20 November 1993, drew particular attention to the appalling extent of persecution of ethnic cleansing against those of Muslim ethnic origin and he reminds the world that the Muslim Community in Bosnia-Herzegovina is threatened with extermination.

#### **Power Politics**

The irony is that it is happening in Europe, much vaunted as the cradle of western humanist traditions and civilization. To this day European leaders have yet to marshal the courage to put a stop to aggression and genocide in their own backyard. Their inaction is shocking and is totally unacceptable. But worst still for them to prevent the victims from exercising their inherent right to collective or individual self-defence is unjust and immoral. Many may wonder whether some Europeans are going back to the traditional but destructive balance of power politics, with some influencing others to opt for a policy of appeasement and peace at any price, as if nothing has been learnt from history.

Some European nations have been in the forefront of initiating peace talks within the frame work of the Steering Committee of the International Conference on former Yugoslavia. But the Geneva peace process is getting nowhere, Malaysia and other OIC countries fear that the so-called peace plan advocated by the mediators is being pursued at the expense of the victims of aggression and genocide - the Bosnian Muslims. The plan legitimizes the acquisition of territory through the use of force, ethnic cleansing by the Serbs and the

partitioning of a state along ethnic lines. It is a peace-plan with no honour and no justice. Is this the kind of solution that the United Nations provide for the most serious violation of human rights in Bosnia-Herzegovina? What kind of message is the United Nations sending to ultra-nationalistic, and racist groups, and would be aggressors who threaten international peace and stability.

Any peace process undertaken by the mediators or others must be in conformity with the principles of international law and human rights. It is also absolutely essential that the mediators work within their authorized mandate and agreed framework. The integrity and legality of any peace-plan will be questioned if any efforts to renew or undertake a negotiating process is not based on that premise. That is why Malaysia and with the other co-sponsors of the draft resolution on Bosnia-Herzegovina are requesting the UN Security Council to examine whether the peace mediators are undertaking their tasks in conformity with the relevant Security Council resolutions.

We now approach the second winter of this tragedy. Time is not on our side and it certainly is not on the side of the hundred thousands of civilians, many of whom may not survive the harsh Balkan winter this year. With each passing day, our ability to prevent what might become an unparalleled human tragedy diminishes.

### **Call for Prompt Action**

The Security Council has passed over 40 resolutions on Bosnia-Herzegovina. Yet none has been effectively implemented. Clearly, the Security Council has failed to live up to its responsibility to take prompt and effective action to restore peace and stability in Bosnia-Herzegovina under Article 24 of the Charter. It

is disturbing that the Security Council has shied away from enforcing its own resolutions on Bosnia-Herzegovina. Serbian forces no longer has any respect for UN Security Council resolutions. Despite systematic and wide scale Serbian obstruction of delivery of international humanitarian assistance, no effort has been made to enforce Security Council resolution 770 that provides for the use of all necessary means. In his report, the Special Rapporteur of the Commission on Human Rights, Mr Tadeusz Mazowiecki, pointed out that relentless military action by Bosnian Serb forces has turned the designated United Nations safe areas under Security Council resolution 806 into areas under siege. Indeed, United Nations safe areas especially Sarajevo appear to be more and more free targets for indiscriminate Serbian artillery and mortar attacks. Even hospitals, market places and children playing grounds are becoming Serbian open killing fields. On 15 December 1993 alone, the Serbs fired 300 artillery and mortar rounds at Sarajevo causing a number of deaths and adding to the destruction of the city. Sadly, one does not place much stock and hope on the threat of air-strikes that the United States and NATO countries had earlier threatened to undertake.

It is all too contrasting between the absence of action in the case of Bosnia-Herzegovina and the Gulf crisis where intervention moved all too swiftly not only to reinstate Kuwait, but to guarantee Western access to all.

### **Stop Genocide**

The Security Council has chosen to ignore two resolutions adopted by the General Assembly - resolutions 242/46 and 121/47 calling for enforcement action to restore peace in Bosnia-Herzegovina. The Security Council has also ignored the Special Declaration by the Vienna World Conference on Human Rights to stop

genocide in Bosnia-Herzegovina. We need to repeat, over and over that the Security Council should firmly act to stop the killing and destruction in Bosnia-Herzegovina, by either taking in accordance with its primary responsibility under Article 24 of the Charter, by using all measures available under Chapter VII, or by lifting the arms embargo and allow the Republic of Bosnia-Herzegovina, as a member of the United Nations, to exercise its right to individual and collective self-defence under Article 51 of the Charter. That inherent right cannot be denied to victims of genocide.

The situation in Bosnia-Herzegovina and genocide in particular raise cardinal questions about the commitment of the international community to the prevention of crimes against humanity under the Genocide Convention.

Article I of the Genocide Convention of 1948 affirms that, "genocide, whether committed in the time of peace or in time of war, is a crime under international law which they undertake to prevent and to punish".

That genocide continues rampant in Bosnia-Herzegovina indicates that the Contracting Parties have not upheld their treaty obligations to prevent the crime from being committed and therefore are in violation of the treaty themselves. It has been argued that the Security Council's failure to take enforcement action and to lift the arms embargo on the government of Bosnia-Herzegovina has made some of its members, who are also Contracting Parties to the Genocide Convention, accomplices to the crime of genocide.

It is also the purpose of the draft resolution on Bosnia-Herzegovina to send a clear signal to those who are guilty of war crimes, ethnic cleansing and systematic use of rape as a weapon of war, and their protectors

or apologists that the international community is determined to pursue justice through the work of the Commission of Experts and the International War Crime Tribunal.

You may recall that last year, the General Assembly adopted resolution 47/121 on the situation in Bosnia and Herzegovina, which among others requested the Secretary-General to report to the General Assembly by 18 January 1993, on the implementation of that resolution. Regrettably, we have yet to see the report of the Secretary-General. Many of us insist that the said resolution remains valid and therefore must be complied with. The absence of the report on Bosnia is unacceptable to my delegation.

In conclusion, my delegation would like to appeal for the widest possible support for the draft resolution on Bosnia-Herzegovina in the name of humanity and the rule of law. The international community has a moral and legal duty to put a stop to the killings and extermination of the Bosnian Muslim population in Bosnia-Herzegovina. Malaysia regrets many prominent European nations have indicated they would abstain on this draft resolution on the pretext that it is not balanced and it may contradict Article 12 of the Charter. But how could the UN General Assembly, which represents the will of the international community, be possibly asked to balance the interest of the victims and the perpetrators of ethnic cleansing and genocide. At the same time, if the Security Council whose powers and special responsibility is derived from the general membership and acts on our behalf, the general membership has every right to take the Council to task and urge the Council to fulfill its responsibility under Article 24 of the Charter to take prompt and effective action to restore peace and stability in Bosnia-Herzegovina.

## ***VISIT OF HIS MAJESTY TO THE UNITED KINGDOM***

**Speech by His Majesty Sultan Azlan Shah at the State Banquet in Buckingham Palace on 9 November**

I feel deeply honoured by your invitation to make this state visit to the United Kingdom. The Raja Permaisuri Agong and I wish to thank you for the warm welcome and the gracious hospitality extended to us since our arrival in Britain this morning. With the excellent arrangement that has been made by your government, we are looking forward to a very happy and memorable stay in your great country for the rest of our visit.

Our two countries have indeed a long historical association. Relations that began as far back as the 18th Century have undergone major changes and have greatly increased in scope. Today, Britain is not only a major trading partner for Malaysia in Europe but an important source of investment and a key overseas centre of education for Malaysians. This relationship has been constantly reinforced by exchanges of high level visits, and this year alone has witnessed several such visit.

### **Goodwill and Close Relationship**

Malaysians still remember with fondness Your Majesty's two visits to our country and at the start of my own visit to Britain today, I am already touched by the warmth and friendship shown towards us by your people. I am confident that my visit will further add to the goodwill and the close ties between our two countries.

Over the years, many Malaysians, including The Raja Permaisuri Agong, my five children and myself have had the privileged to be educated in Britain. We value Britain's readiness to continue receiving large numbers of Malaysian students at its universities and institutions of higher learning. I am equally happy to know that the twinning arrangements between British colleges with Malaysian institutions are working well and are making positive contribution towards meeting our educational needs. We are also looking positively at the proposal to set-up a branch campus of a British university in Malaysia. All these practical initiatives are positive factors contributing to the strengthening of the relationship and cooperation between Malaysia and Britain.

The warm and cordial relations between Malaysia and Britain are also manifested in a multitude of ongoing activities in other fields like trade, investment and defence. Last year, trade between Malaysia and Britain increased by 10% despite a global economic recession. We are encouraged that our products are well-received in Britain and we are especially pleased that our national car enjoys popularity in Britain.

The British private sector is also an active partner in Malaysia's economic development. This too represents another important dimension in our bilateral cooperation. We would like to invite more British investors to Malaysia and to participate in making our vision of becoming an industrialised nation by the year 2020 a reality.

## **Economic Progress**

As Your Majesty has aptly remarked, stability has been a key factor in influencing the growth in prosperity of South-East Asia. As a member of the region, Malaysia is fortunate to share in this exciting and tremendous growth, and to forge ahead towards greater economic progress. In this connection, the lessons derived from the experiences of developed countries like Britain were important and helpful. Malaysia is fully aware that the momentum of our growth and success can only be maintained and enhanced in tandem with the overall stability of the region in particular and the world as a whole. Malaysia will continue to play its part to preserve regional peace and stability in South-

east Asia and the world at large.

In the Commonwealth family of nations, Malaysia and Britain share many similar ideals and values. I am pleased that at the recent Commonwealth Heads of Government meeting held in Cyprus, the Heads of Government, including from Malaysia, once again had the unique opportunity of meeting Your Majesty as well as to renew their friendship with each other. Malaysia is looking forward to hosting the Commonwealth games in 1998 and we are honoured by the confidence placed in us to bring together sportsmen and sportswomen from all over the Commonwealth.

Your Majesty, I wish to say once more how pleased I am to be here in Britain. I thank you for your hospitality and may I now raise my glass in a toast to you and to the continued friendship between Malaysia and Britain.

## ***FIRST MEETING OF THE MALAYSIA - PHILIPPINES JOINT COMMISSION FOR BILATERAL COOPERATION***

**Opening remarks by Foreign Minister at the meeting in Manila, on 9 December**

I wish to thank you, Mr Secretary, for your warm words of welcome and to express my sincere appreciation to you and through you to the Government and the people of the Philippines for the splendid hospitality

accorded to me and my delegation. I also wish to thank you for the excellent arrangements made for this meeting. The members of my delegation feel very much at home in this country.



*Foreign Minister co-chairing the Joint Commission for Bilateral Cooperation meeting in Manila.*

This meeting is an event of great significance for both Malaysia and the Philippines. It marks the beginning of indepth and substantive dialogue on bilateral relations between our two countries. You may recall that at the ceremony during which both of us signed the Memorandum of Understanding to establish the Joint Commission last July, we both underscored the importance of the Joint Commission in advancing the ideas and proposals discussed during the visit by His Excellency President Fidel Ramos to Malaysia in January this year. The visit had opened a new chapter in relations between Malaysia and the Philippines. On that occasion both the President and the Honourable Datuk Seri Dr Mahathir Mohamad, the Prime Minister of Malaysia had agreed on a new approach to the development of bilateral relations between our two countries, an approach that is both pragmatic and farsighted and that takes into account our common desire to enhance peace, prosperity and stability in South East Asia.

It is an approach that allows us to work and cooperate together for our mutual benefits while at the same time the Philippines undertakes efforts for a national consensus on the resolution of the Sabah issue that has encumbered our relations for so long. It is therefore a tribute to the two leaders, President Ramos and Prime Minister Dr Mahathir, whose common vision have enable us to sit here together in a historic meeting that we are confident will usher in a new era of friendship and cooperation between Malaysia and the Philippines.

### **Joint Commission**

This inaugural meeting of the Malaysia - Philippines Joint Commission should set the tone and pace for future consultations and dialogue between our two countries. There are many important bilateral issues to

be addressed. I sincerely hope that during the course of our deliberations, both sides could agree on concrete proposals and substantive programmes that could be implemented for the mutual benefit of both countries. There is indeed a lot of work ahead for the Joint Commission. We on the Malaysian side are ready to join hands with our Philippine counterparts to examine all the potential areas of cooperation and take the appropriate measures to ensure their early realisation.

Malaysia and the Philippines are strategically placed in a region of unprecedented growth. Both countries do not lack the resources which would enable us to participate actively in the vibrant development being experienced by the East Asian region. We together have the raw materials, the manpower and to a certain extent the know how and technology. Combine the comparative advantages that each of us have, new industries can emerge, trade can grow and investment will flow. This was the sentiment expressed by the President and Prime Minister in Kuala Lumpur. Therefore the enhancement of economic relations between Malaysia and the Philippines should indeed be one of the major goals of this Joint Commission.

I am encouraged to note that the private sectors of both countries have lost little time in taking the cue from the two leaders. A number of business and investment ventures have already been forged since. It is indeed appropriate then for the two governments to play a role by providing the right framework to help carry the existing momentum forward. In this connection, the Joint Commission could certainly look into arrangements and frameworks that could facilitate a greater flow of trade and investment between the two countries. Malaysia and the Philippines have already signed an Avoidance of Double Taxation Agreement in 1982. It would be most helpful if the two governments can agree to the signing in the near future of an

Investment Guarantee Agreement which could be an impetus to the promotion of investment between our two countries.

### **Economic Cooperation**

Our efforts to promote closer economic cooperation can be further pursued in the context of President Ramos' proposal for the establishment of an East Asean Growth Area (EAGA). Malaysia supports this proposal for we recognise the value of cooperative ventures undertaken in the context of sub-regional growth areas as evidenced by our support for the Indonesia-Malaysia-Thailand growth triangle (IMTGT) and our participation in the growth triangle involving Johor, Singapore and Riau. We are ready to share with you our experience in the promotion and development of these growth areas in the course of the preparation to realise the East Asean growth area.

Apart from trade and investment there are many other issues that this Joint Commission could consider. Among these are cooperation in tourism air services, agriculture, commodities, science and technology. The promotion of tourism between the two countries, apart from its economic importance, would help increase

people to people interaction, which could positively contribute to better understanding and appreciation of one another and the fostering of lasting goodwill. So would the exchange of visits between government officials, parliamentarians and members of the media. This is what we intend to pursue in order to establish a strong foundation for the consolidation of our bilateral relations in the years to come.

The Malaysian delegation will not spare any effort to ensure the success of this meeting. That this inaugural meeting should achieve concrete results is clearly the desire on both side. The officials have worked extremely hard to prepare for this meeting with this objective in mind. I wish to commend them.

Many challenges lie ahead as our relations grow. But with the relationship that we are developing through this Joint Commission, we can look to the future with confidence that these challenges can be surmounted given the common spirit of goodwill, understanding and cooperation that we cherish and share.

We now have important business to attend to. My delegation and I pledge our full cooperation with you and your delegation. I anticipate a fruitful meeting.

## **Closing remarks by Foreign Minister at the conclusion of the meeting in Manila, on 9 December**

We have just successfully concluded the first Joint Commission meeting between our two countries. The congenial and expeditious manner in which we have been able to conduct our discussions is a clear reflection of the dedication and commitment of both our delegations in working towards the enhancement of bilateral relations between the two countries. Certainly, the excellent arrangements made by the Philippine government for this meeting has, in no small measure, contributed to its success.

The Joint Commission is an important institution and forum for the realisation of durable and constructive relations and cooperation between Malaysia and the Philippines. During our meeting, we identified a number of issues and areas of cooperation, discussed them in the spirit of goodwill and understanding and agreed on a number of proposals. Our discussions have been frank and constructive. Both delegations have been forthcoming in carrying out the mandate given to us by both governments.

### **Bilateral Trade and Investment**

Both countries are committed to widening the scope of economic cooperation. There are ample opportunities to be tapped. We must take concrete steps to increase bilateral trade and investment. Efforts should be made to minimise obstacles to the flow of trade between our two countries. The potential for joint ventures in various activities should be vigorously pursued by both sides in order to capitalise on the vibrant economic growth currently experienced by this region. It is my hope that the understanding and agreement achieved at this meeting can buttress the

increased economic activities among private sectors of both countries. There are many areas which they can look into- shipping, airline services, privatization programmes, agricultural activities and many others.

The Philippines' proposal on the establishment of the East ASEAN Growth Area (EAGA), in this context, would help stimulate a more active economic interaction among the countries involved. Malaysia welcomes the developments pertaining to the proposed establishment of the EAGA. The briefing given by the Philippine delegation has provided the Malaysian delegation with useful information on the current status of the proposed growth area. We will make appropriate recommendations to our government.

Our agreement to form a Joint Committee on Border Cooperation, responsible to this body, to promote cooperation across the border is a significant achievement. This is an important decision that will help both governments address many problems which we have a common understanding of. I urge both sides to take the necessary steps to expedite the work of this Joint Committee.

### **Increase Contacts**

This meeting has also identified certain areas in the field of commodities and agriculture where bilateral cooperation can be pursued. There is certainly no lack of expertise on both sides to allow for the cross fertilization of ideas and know-how for the mutual benefit of the two countries. Malaysia would be looking forward to more people-to-people contacts in the future through the exchange of visits of parliamentarians, government

officials and journalists. Cooperative efforts to promote tourism, as well as the increase in air services between Malaysia and the Philippines, would certainly help further increase such contacts. This will inevitably contribute to the further enhancement of bilateral relations.

This inaugural meeting of the Joint Commission has indeed been an important milestone. Never before have both countries conducted bilateral talks at the ministerial level covering such a wide range of issues. We have taken that important first step to bring about the realization of the vision of our two leaders. This meeting has certainly further filled the reservoir of goodwill on both sides. The personal bonds of friendship developed between our officials through their

interaction at this meeting would greatly facilitate the future work of the Joint Commission. We can commend ourselves for successfully completing our task.

Before concluding, allow me to express, on behalf of the Malaysian delegation and on my own behalf, our sincere appreciation to you, and through you to the Government of the Philippines for the warm reception and generous hospitality accorded to us during our stay in Manila. The arrangements for this meeting have been excellent. My words of appreciation would not be complete if I do not commend the secretariat as well as all the officials in both delegations for their dedication and hard work in making this meeting a success. I look forward to welcoming Your Excellency and the Philippine delegation in Malaysia next year.

## ***AGREEMENTS***

<b>DESCRIPTION</b>	<b>PARTIES TO AGREEMENT</b>	<b>DATE &amp; PLACE</b>
Supply of Equipment to Malaysian contingent to UN Protection Force (UNPROFOR)	Malaysia & Britain	Kuala Lumpur 2 December
Memorandum of Understanding on bilateral cooperation in defence-related industries	Malaysia & Chile	Kuala Lumpur 26 December

## ***MOVEMENTS OF AMBASSADORS AND HIGH COMMISSIONERS***

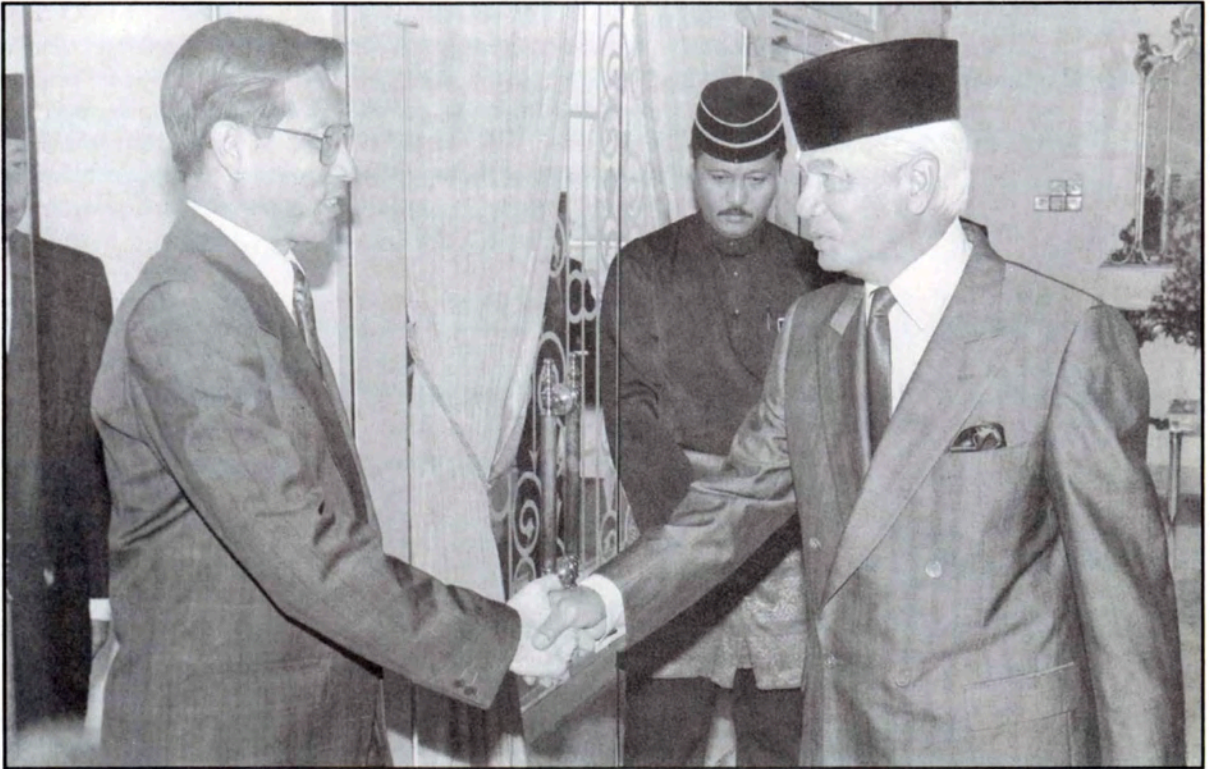
### **Malaysian Representation Overseas**

- 29 October - The following received their credentials from the Yang di-Pertuan Agong:-
1. Datuk Abdullah Zawawi Haji Mohamed - High Commissioner to Canada
  2. Datuk Dali Mahmud Hashim - Ambassador to Indonesia
- 3 December - Datuk M M Sathiah received his credentials as Ambassador - designated to Belgium

### **Overseas Representation in Malaysia**

- 6 October - The following presented their credentials to the Yang di-Pertuan Agong:-
1. Mr Taizo Nakamura - Ambassador of Japan
  2. Dr Ahmad Ali - Ambassador of Fiji
  3. Mr Alfred Cyrial Tandau - High Commissioner of Tanzania
- 21 October - The following presented their credentials, to the Yang di-Pertuan Agong:-
1. Mr Masao Nakayama - Ambassador of Micronesia
  2. Mr Desta Arifo Anore - Ambassador of Ethiopia
  3. Mr Ferid Riza Hoti - Ambassador of Albania

## ***DIARY OF EVENTS***



*Singapore President Ong Teng Cheong being greeted by the Yang di-Pertuan Agong.*

- 1 October - Singapore President Ong Teng Cheong made a two-day unofficial visit to Malaysia. President Ong was granted audience by the Yang di-Pertuan Agong Sultan Azlan Shah at the Istana Negara.
- 3 October - Prime Minister Datuk Seri Dr Mahathir Mohamad arrived in Tokyo for three-day unofficial visit, after attending the 48th session of the United Nations General Assembly in New York.

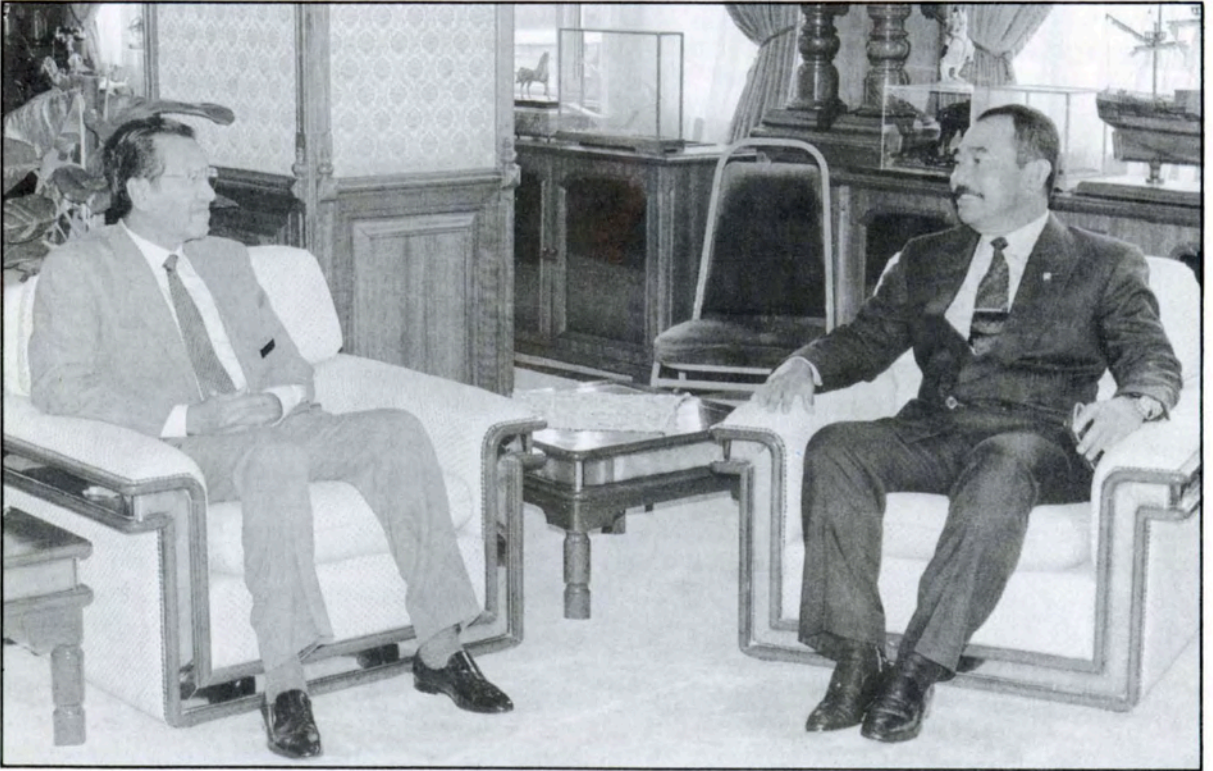
- 4 October
- Deputy Prime Minister Ghafar Baba left for a seven-day visit to North Korea. The visit to the country was made at the invitation of the North Korean Government.
  - Finance Minister Datuk Seri Anwar Ibrahim delivered a speech entitled "One Southeast Asia" at the Fifth Southeast Asia forum in Kuala Lumpur. Some 57 participants and observers from ten Southeast Asian countries attended the forum.
  - A 21-member buying mission from the prefecture of Morioka in Japan arrived in Kuala Lumpur for a four-day visit. The purpose of the visit, organised by the Japan External Trade Organisation (Jetro), was to enable the mission to take a closer look at the range of Malaysian products with the potential of being exported to Japan.
- 5 October
- International Trade and Industry Minister Datuk Seri Rafidah Aziz opened the Malaysian International Fair 1993 at the Putra World Trade Centre.
  - The first aircraft ever to be built by a Malaysian company rolled out of its Henderson hangar in Perth, Western Australia. The two-seater Eagle XTS, a joint production of companies backed by the Malaysian and Australian Governments, marked the dawn of a new chapter in local aviation history.
- 7 October
- Finance Minister officiated the National conference on Privatisation: The Challenges Ahead. The two-day conference was jointly organised by the Association of Merchant Banks in Malaysia and PNB Corporate Development Sdn Bhd.
  - Education Minister opened the Third Asian Travelling Exhibition of Painting, Photography and Children's Art at the National Art Gallery. The theme of the exhibition was "The artist and social commitment".
- 10 October
- Deputy Prime Minister Abdul Ghafar Baba received the Friendship Order First Class - a North Korean decoration in a ceremony in Pyongyang.
- 14 October
- A Memorandum of Understanding between Marconi (Malaysia) and Marconi SPA of Italy was signed at the former's factory in Kulim, Kedah. The MoU is on joint increased local production and systems in the field of telecommunications, avionics and defence equipment.

- 16 October - The World Children's Day 1993 celebration was launched by the Raja Permaisuri Agong Tuanku Bainun at the National Stadium.
- 17 October - Prime Minister arrived in Valleta, Malta for a three-day visit at the invitation of Maltese Prime Minister Dr Eddie Fenech Andami before attending the Commonwealth Heads of Government Meeting in Cyprus.
- 18 October - Domestic Trade and Consumer Affairs Minister Datuk Abu Hassan Omar opened the 35th council meeting of the Asian Patent Attorneys Association in Kuala Lumpur.
- Another 172 Vietnamese boat people returned home to their country, under the voluntary repatriation programme begun three years ago.
- 20 October - Laotian President Nonhak Phoumsavanh and his 12-member delegation arrived in Kuala Lumpur for a one-day visit.
- 21 October - Prime Minister spoke in reply to remarks by Cyprus President Klafkos Clerides at the Commonwealth Heads of Governments Meeting (CHOGM) in Nicosia, Cyprus.
- 24 October - Finance Minister Datuk Seri Anwar Ibrahim delivered his keynote address at the Asian Young Leaders forum on Strategies for Tomorrow's Asia. The three-day forum was jointly organised by the Asian Institute (Institute of South East Asian Business) and the Asia-Australia Institute.
- A total of 424 soldiers, who served under the United Nations Transitional Authority in Cambodia (UNITAC), returned home after keeping the peace for six months in the war-ravaged country.
- 26 October - Prime Minister returned from Cyprus after attending the CHOGM.

- Finance Minister opened the 4th Asian Forum of Parliamentarians on Population and Development at Parliament House. The three-day conference was attended by participants from Bangladesh, Pakistan, India, Nepal, Vietnam, Indonesia, Japan and Thailand, among others.
- 27 October - The 163rd meeting of the Conference of Rulers began at Istana Negara, chaired by the Raja of Perlis.
- 28 October - The Yang di-Pertuan Agong, Sultan Azlan Shah, and Raja Permaisuri Agong Tuanku Bainun extended greetings and congratulations to President Suleyman Demirel of Turkey on the occasion of the country's 70th National Day.
- 30 October - Yang di-Pertuan Agong, sent a congratulatory message to Algerian President Ali Kafi on the occasion of the country's National Day.
- 1 November - The Raja Permaisuri Agong Tuanku Bainun opened the 4th Pan-Pacific and Southeast Asian Women's Association Conference. The three-day conference was attended by eight regional member nations - Malaysia, Cambodia, Indonesia, Laos, Philippines, Singapore, Thailand and Vietnam.
- Primary Industries Minister Datuk Seri Dr Lim Keng Yaik opened the Conference on Forestry and Forest Products Research at the Forest Research Institute of Malaysia in Kepong.
- 2 November - Former French Prime Minister Jacques Chirac called on the Prime Minister. Chirac, who is the Mayor of Paris and the head of the Rally of the Republic, the dominant partner of France's ruling conservative coalition, led a seven-member delegation on a one-day visit to Malaysia.
- 3 November - Gabon's Minister of Forestry, Water Resources, Fisheries and Environment, Eugene Capito called on Primary Industries Minister Datuk Seri Dr Lim Keng Yaik at the latter's office.

- 7 November - The Yang di-Pertuan Agong and Raja Permaisuri Agong left for Paris enroute to London for a four-day official visit. The King's visit was at the invitation of Queen Elizabeth.
- Malaysia and South Africa decided to establish diplomatic ties at ambassadorial level. A statement issued by Wisma Putra said the Government's decision came about a month after Malaysia lifted trade and economic sanctions against South Africa.
- 8 November - National Unity and Social Development Minister Datuk Napsiah Omar opened the "Workshop on Information Needs Assessment" organised by the Economic and Social Commission for Asia and the Pacific (ESCAP). The four-day workshop was attended by 27 participants from 16 Asian and East Asian countries.
- 9 November - Yang di-Pertuan Agong and Raja Permaisuri Agong began their official four-day State visit to Britain. The King and Queen were greeted by Queen Elizabeth and the Duke of Edinburgh and the Duke and Duchess of Gloucester at the Victoria station.
- 12 November - Malaysia retained its seat on Unesco's International Bureau of Education (IBE) Council. At the 27th Unesco General Conference in Paris Malaysia garnered 70 votes against India's 67.
- 13 November - The Yang di-Pertuan Agong and Raja Permaisuri Agong ended their four-day state visit to the United Kingdom. Queen Elizabeth and Duke of Edinburgh bade farewell to them at the Buckingham palace.
- 14 to 16 November - For the first time in Malaysia's history, the Cabinet, key business figures and academia joined foreign business community leaders in an international trade and investment conference. Opened by the Prime Minister, the "Malaysia : Powerhouse of the 90s" conference was organised by the International Herald Tribune, in conjunction with the Malaysian Industrial Development Authority and the Institute of Strategic and International Studies.

- 15 November - Law Minister Datuk Syed Hamid Albar headed the Malaysian delegation at the Conference of Commonwealth Law Ministers in Mauritius. The five-day conference discussed among other things, protection of the national cultural heritage and mutual assistance among agencies related to trade.
- 17 November - The head of the Muslim community in Bosnia-Herzegovina, Professor Mustafa Ceric arrived in Kuala Lumpur to seek support for the Bosnians.
- Indonesian Armed Forces Chief General Feisal Tanjung arrived in Kuala Lumpur to attend the 22nd Malaysia-Indonesia General Border Committee (GBC) meeting. Feisal and his delegation comprising top Indonesian military and police officials were met on arrival by Defence Minister Datuk Seri Najib Tun Razak and senior Malaysian police and military officials.



*Indonesian Armed Forces Chief General Feisal Tanjung, paying a courtesy call on Prime Minister.*

- 18 November - Prime Minister officially opened the Japanese School of Kuala Lumpur in Subang.
- International Trade and Industry Minister Datuk Seri Rafidah Aziz attended the three-day ministerial meeting of the Asia Pacific Economic Cooperation (APEC) in Seattle.
- High Court Judge Datuk Lal Chand Vohrah took his oath to serve in the International War Crimes Tribunal on the former Yugoslavia. He was among eleven judges of the tribunal who took oath at a swearing-in ceremony at the Peace Palace in the Hague.
- 20 November - Prime Minister announced that he was taking change of Rural Development Ministry portfolio following the resignation of its Minister Mr Ghafar Baba from the Cabinet.
- 22 November - The Yang di-Pertuan Agong and Raja Permaisuri Agong returned home after a five-day state visit to Britain and a short holiday in the south of France.
- 23 November - Chinese Domestic Trade Minister Zahang Haoruo called on the Prime Minister at the latter's office. Zahang arrived on 21 November for a nine-day visit, helming a four-member delegation to promote bilateral trade and joint ventures with Malaysian timber-based companies.
- Defence Minister and Indonesian Armed Forces Chief General Feisal Tanjung, co-chaired the one-day 22nd Malaysia-Indonesia General Border Committee meeting, held in Kuala Lumpur. About fifty top Malaysian and Indonesian military and police officials attended the meeting.
- 24 November - Malaysia and Indonesia signed an official document on the 22nd Malaysia-Indonesia General Border Committee meeting. The committee's joint chairmen, Malaysia's Defence Minister and Commander of Indonesia's Armed Forces signed the document.
- Chilean Defence Minister Patricio Rojas arrived in Kuala Lumpur for a five-day official visit. Rojas, and his eight-member entourage was met on arrival at the Kuala Lumpur International Airport by Deputy Defence Minister Datuk Wan Abu Bakar Wan Mohamad.



*Chinese Domestic Trade Minister Zahang Haoruo calling on the Prime Minister.*

- A team of eight medical officers from the Ministry of Defence left for Cambodia to serve with the United Nations Transitional Authority (Untac). They will be in Cambodia for one to two months.
- 25 November
- Proton Cars UK Limited, the distributor for Perusahaan Otomobil Nasional Berhad (Proton) launched Proton Persona in the United Kingdom.
  - Deputy Chilean Agriculture Minister, Mr Maximilliano Cox Balmacede arrived in Kuala Lumpur for a one-day official visit.

- 26 November - Pan African Congress president Clarence Makwetu called on Prime Minister at his office. Makwetu, accompanied by three party members arrived on 24 November for a four-day visit.
- Chilean Defence Minister Patricio Rojas called on the Prime Minister. Rojas was accompanied by Chilean Joint Chief of Staff Vice-Admiral Jorge Patricio Arancibia Reyes and Rear Admiral Sergio Garcia Greene.
- 27 November - Malaysia and South Korea signed the Malaysian National Commercial Vehicle Project which marked the commitment of one of the largest "chaebols" (large multinational companies) in South Korea to invest in Malaysia. The project will see participation by Hyundai Motor Company of South Korea along with other joint venture partners.
- The Raja Permaisuri Agong was conferred an honorary fellowship of the Liverpool John Moores University in a ceremony at Istana Negara. The university's vice-chancellor Professor Peters Toyne presented the document of fellowship to the Queen. The conferment was in recognition of Tuanku Bainun's important contribution in re-establishing Malaysia's educational system.
- 29 November - Finance Minister Datuk Seri Anwar Ibrahim delivered his keynote address to participants from 33 countries attending the three-day "International Seminar on Indigenous People" at the Putra World Trade Centre.
- British Trade Minister Richard Needham met Transport Minister Datuk Seri Dr Ling Liong Sik to discuss opportunities in Malaysia.
- 30 November - Malaysia's Kuok Group signed a contract with China Vegetable Oils Co to set up a processing plant for Malaysian palm oil in Xiamen. Joint-venture firm Zhong Lu Vegetable Oils Co Ltd, set up by the two sides, will run the plant. It will sell the finished product on the domestic market.
- 1 December - The Prime Minister appointed Finance Minister Datuk Seri Anwar Ibrahim as the new Deputy Prime Minister taking over from Mr Abdul Ghafar Baba who resigned on October 15.

- 2 December - The Yang di-Pertuan Agong and Raja Permaisuri Agong sent their greetings to King Bhumibol Adulyadej and Queen Sirikit of Thailand on the occasion of King Bhumibol's 66th birthday and the National Day of Thailand.
- Fifteen members of the Confederation of Indian Industries called on the Prime Minister. The delegation, led by confederation president Jamshyd N Godrej was on a three-day visit to foster closer cooperation with the Malaysian business community and to look into investment opportunities.
- Deputy Education Minister Dr Leo Michael Toyad received on behalf of the Malaysian Government, a cultural grant of RM 1 million from the Japanese Government. Japanese Ambassador Taizo Nakamura made the presentation at the National Library.
- 3 December - Datuk Seri Anwar Ibrahim assumed duty as Deputy Prime Minister. Anwar, who also holds the Finance portfolio replaces Mr Abdul Ghafar Baba.
- 5 December - The Economy and Finance Minister of Uruguay Dr Ignacio De Posadas Montero arrived in Kuala Lumpur for a three-day official visit to Malaysia. He was accompanied by five officials and a 27-member delegation from the Uruguayan private sector.
- Three of the 18 Malaysian policemen to serve under the United Nations in Angola Verification Mission (Unavem II) left for the Angolan capital city of Luanda. They paved the way for the remaining 15 policemen to leave at the end of December.
- 6 December - Uruguay's Minister of Economy and Finance and Minister of Power and Mining Eduardo Ache Bianchi called on the Prime Minister at his office.
- 7 December - Prime Minister opened Lima 93 at the Langkawi International Airport. Almost all the world's top maritime and aerospace companies were represented at the exhibition.
- 10 December - Jordanian Prime Minister Dr Abdul Salam Majali who was on a one-day private visit to Malaysia called on Deputy Prime Minister Datuk Seri Anwar Ibrahim.

- Primary Industries Minister attended the 6th Ministerial Meeting of the Indonesia-Malaysia Joint Working Committee on Forestry in Surabaya, Indonesia.
  
- 14 December - Prime Minister and India's Prime Minister PV Narasimha Row, witnessed the signing of five memorandum of understanding between Malaysian and Indian Companies.
  
- 16 December - Naval Dockyard Sdn Bhd signed a memorandum of understanding (MoU) with a German firm, Atlas Elektronik, for the supply and servicing of electronic defence equipment for the Royal Malaysian Navy.
  
- 17 December - President of Guyana, Dr Cheddi Jagan arrived in Kuala Lumpur for a five-day official visit. Dr Jagan who led a seven-man delegation was met on arrival by Deputy Education Minister Dr Leo Michael Toyad, who was the Minister-in-attendance.
  
- A delegation from the Federal German Parliament (Bundestag), led by its research and technology committee chairman Mr Wolf Michael Cantenhusen arrived in Kuala Lumpur for a four-day visit. The visit was aimed at exploring areas for scientific and technological cooperation.
  
- 18 December - Guyana President paid a courtesy call on the Prime Minister at the Carcosa Seri Negara. Dr Jagan said his visit was to explore areas of cooperation.
  
- 19 December - Visiting Jordanian Premier Dr Abdul Salam Majali called on Prime Minister at his Seri Perdana residence. Dr Abdul Salam arrived on December 18 for a three-day unofficial visit.
  
- 20 December - Namibian Judge-President GJC Strydom and another judge, LC Muller, called on Lord President Tun Abdul Hamid Omar. The Judges were in Kuala Lumpur for a week-long official visit.
  
- 22 December - The Yang di-Pertuan Agong Sultan Azlan Shah sent a congratulatory message to Emperor Akihito of Japan on the occasion of his imperial majesty's birthday.



*Prime Minister signing the condolence book, on the demise of Fijian President Pat Sir Panala Ganilau.*

- 23 December - Prime Minister signed the condolence book at the Fijian Embassy, on the demise of President Rat Sir Panaia Ganilau.
- 30 December - Prime Minister held discussions on economic and trade relations with two prominent corporate leaders and a university professor from Japan. The Prime Minister's guests, Mr K Ejiri, chairman of Mitsui and Co, Mr Y Kurosawa, president of the Industrial Bank of Japan and Prof I Nakatani of the University of Hitotsubashi (University of Commerce) were in Langkawi for a two-day private visit.
- 31 December - Prime Minister launched the country's second Visit Malaysia Year in the last decade of the 20th century.