

SPEECH BY THE PRIME MINISTER AT THE
OPENING OF THE ANNUAL GATHERING OF
ROTARY DISTRICT 330 AT IPOH, PERAK ON
30TH MARCH, 1974

Mr A. Rahim Noor, Mr District Governor Rotary Club, Mr President Ipoh, Rotary Club, Distinguished Delegates, Honoured Guests, Ladies and Gentlemen.

It is both a pleasure and privilege for me to be with you all here this morning at this annual gathering of Rotary District 330. On behalf of the Government and people of Malaysia, I would like, first of all, to welcome the distinguished delegates from our neighbouring countries, their good ladies and observers, and to wish you all a very pleasant stay in our country.

I heartily share the sentiments which I am sure have already been expressed by the President of the Rotary Club of Ipoh who has been given the honour of organising this year's conference and I am quite certain he and his colleagues have made every effort to make your stay a pleasant and memorable one. It is also my hope that after the Conference, some of you particularly those who are here for the first time would take the opportunity to see other parts of our country and meet our people in their everyday life.

For the next day or two, you all will have a heavy programme, which includes sightseeing tours to interesting places around Ipoh and I also note some special programmes have been arranged for the ladies. As you are well aware, considerable efforts in the social and economic upliftment of our people have been made during the years since we achieved independence. While we are indeed happy to have you share in our experience, we would also like to learn from you of any short-comings and other aspects which perhaps require rectification and improvement. In this way, I hope your visit will be mutually beneficial and more meaningful in the context of better understanding among nations.

Distinguished Delegates, Ladies and Gentlemen.

As members of a widely respected international body and since most if not all of you are members of society in your

respective countries, I think you are best able to carry the message across to your people how we in Malaysia are striving to improve the livelihood of our people and hope to establish a just society on the basis of the five principles of Rukunegara, our National Ideology. On an earlier occasion when I address the Rotary International some two years ago, I had the opportunity of explaining the rationale of our new economic policy and its twin-pronged objectives, which, we are convinced is the only solution to the social and economic problems in our multi-racial society.

The Government deeply appreciates the good work undertaken by service organisation such as the Rotary. It must be admitted that this is at best complementary to the massive task the Government has to undertake in its efforts to fulfill the hopes and aspirations of our people. This obligation is all the more urgent in the case of elected government which has to seek a new mandate from its electorate every five years. This is the essence of Lincoln's off-quoted maxim—government of the people, by the people, for the people.

In our own experience here in Malaysia, we fully realise the wisdom of involving the people in any undertaking designed for their betterment. During the earlier years of independence, the government did its best to meet every request from the electorates, particularly in the improvement of infra-structure facilities in the rural areas such as village schools, roads and drinking wells. Admittedly there was an element of charity in all these undertakings. We have since then taken serious efforts in educating the people the value of self-reliance, and at the same time, instilling in them a new spirit of awareness and a change of attitude towards government policy and programmes.

Some two years ago, the government launched what we termed "Gerakan Pembaharuan" or Renaissance Campaign aimed at getting full involvement of the people in every economic programme or projects. To this end, we have resuscitated the Jawatankuasa Kemajuan Kampung or the Village Development Committee which acts as a bridge between the people and government in the sense that it is responsible in planning the requirements of its community and submitting these for consideration of the proper authorities i.e. the Majlis Tindakan Daerah or District Action Council, and in turn it will mobilise

the village community to implement these programmes until completion in this way, there is a continuous two-way exchange between government and people for the mutual benefit of all.

Ladies and Gentlemen.

Coming back to the subject of the New Economic Policy, I am happy to say that the Mid-Term Review of the Second Malaysia Plan which the Parliament endorsed recently, revealed very encouraging indications.

During the period under review i.e. 1971-73, the economy was buoyant. Gross National Product expanded by 11% in current prices, in the first three years of the Plan, compared with the original target of 6.5% per year. After providing for the impact of price increases in the country, the economy expanded by 6.9% per year in real terms. It is expected that the country's national income in current prices will grow by just under 9% per year.

The rate of unemployment has been brought down to 7%. Some 350,000 new jobs have been created during 1971-73, or 58% of the Five-Year Plan target of 596,000 jobs. We estimate that a further 250,000 jobs will be created in the two remaining years of the Plan, making a total of 600,000 new jobs.

In our efforts to modernise the agricultural sector to increase productivity and income of the rural people, some 600,000 acres of new land have been developed during 1971-73 and over 400,000 acres of land were provided for drainage and irrigation. About \$800 million was injected by various financial institutions and commercial banks into the commercialisation of agriculture and the development of agro-based industries.

The period under review also saw the greatest upsurge in our industrialisation efforts with the massive flow of investment from local as well as foreign investors. Greater drive are being undertaken to attract foreign investors to invest in Malaysia so that our objective of diversifying the economy is achieved within the shortest time possible.

As I have stated so often before, the success of our goal of building a harmonious multi-racial nation is determined by the pace and programmes defined in our New Economic Policy. The Second Malaysia Plan in which this policy is embodied is one of the many important blue-prints by which we hope to fulfil the objectives of the New Economic Policy, namely the eradication of

poverty across racial lines and the restructuring of society in order to correct the imbalances.

The difference between the old economic development policy and the New Economic Policy is not that the Government is disregarding the importance of the growth of GNP. Indeed the premise of our development planning is that the size of the national cake must progressively increase. But maximization of GNP is not the be-all and end-all of National Development. Ultimately the benefits of development must accrue to the bulk of our multi-racial society. But I would like to emphasize that the New Economic Policy will be undertaken without any particular group in the society experiencing any loss or feeling any sense of deprivation. In other words, the orientation of the New Economic Policy is towards the restructuring of society so as to achieve the Masyarakat Adil or just society.

The Government is committed to eradicate the economic imbalances which is the cause of inequality among our people and at the same time to promote equal opportunities for Malaysians in our march towards progress and prosperity. These imbalances are particularly acute between the Malays and other indigenous races on the one hand and other Malaysians on the other. Towards this end, we are expediting the speedy creation of a thriving Malay commercial and industrial community. We have to do so not simply because the Malays and other indigenous people are in the majority, not simply because the existing racial imbalances are fertile grounds for political and social tensions, but fundamentally because it is the right and just thing to do. Unless this is done and done quickly, there is the ever danger of the widening gap between the different racial groups in the country and its disastrous consequences.

In our view, this strategy will provide the best way out for us and thus ensure a sound basis for national unity and harmony among the various races. This is of utmost importance because without national unity, there will be not only instability in the country but even the very survival of our nation is at stake. Hence all our efforts for the next few years will be directed towards ensuring the success of the New Economic Policy and thereby bringing about real unity among the people of this country.

Ladies and Gentlemen.

Another major achievement of ours is in the field of foreign relations. We have every reason to be satisfied that as a result of the groundwork we have done and the initiatives, we have taken, we have made good progress in this direction. We have adopted certain guidelines of which regionalism and regional co-operation is considered the most important. Secondly, we decided on a policy of strict non-alignment and thirdly but not least we would seek to have friendly relations with as many countries as possible and strengthen our links with those countries with whom we have common interests.

In the first instance, the last few years saw the consolidation of our efforts in regional co-operation as amply demonstrated by the achievement of ASEAN in which we have co-operated closely in a number of economic and social programmes. We are happy with the progress so far achieved by ASEAN and we hope greater efforts will be made to get tangible projects on the ground so that our people in the various countries will be able to see the real benefit of ASEAN.

Our regional and non-aligned approach to foreign relations is best seen in our proposal for the neutralisation of South East Asia following the Kuala Lumpur Declaration of ASEAN countries in November 1971. I am glad to say that this proposal has been endorsed by two major conferences i.e. the Commonwealth Heads of Government Conference in Ottawa and the Non-Aligned Summit in Algiers last year. Our attendance particularly at the latter conference amply demonstrates our adherence to a non-aligned foreign policy. I was personally present at the Algiers Summit last November and Malaysia continues to be a member of the Co-ordination Committee which is responsible to look after the interests of the non-aligned group. As a further demonstration of our foreign policy, we have established diplomatic relations with almost all Eastern European countries with the exception of Albania, and with North Korea and North Vietnam. While we do this, we maintain friendly relations with the two super-powers, the United States and Soviet Union. Very soon we hope to have formal diplomatic relations with the People's Republic of China although during the last three years, there have been several exchanges of trade delegations as well as cultural and sporting groups between ourselves and the People's Republic of China. Very recently, I attended the Islamic Summit Meeting in Lahore,

an indication of our strong support for the cause of Muslim Nations. I have also advocated the view that Malaysia should shift her pattern of trade which all this time has been orientated towards Europe and U.S.A. The departure recently of a strong trade delegation to Saudi Arabia and Pakistan is a major step forward in our effort to do more trade with countries in West Asia.

In summing up, it may be said that the pattern of our relations has been set by the characteristics of our country. We are strategically located in Southeast Asia which is on the trade route between East and West. We have deep historical ties with countries in the Commonwealth. We are non-aligned and at the same time we proudly maintain our identity as an Islamic country. As a result, we have established deep and abiding ties with as many countries irregardless of their political ideology or economic systems and we look forward with confidence to the years ahead in our foreign relations particularly in the expansion of the horizon of our friendship both in the political as well as in economic fields.

Distinguished Delegates, Ladies and Gentlemen.

I have spoken somewhat at length on the efforts that we have taken and are taking in the development of our country as well as our desire to maintain close and cordial relations with countries that wish to be friendly with us. We have achieved considerable success in our endeavours to give a better and meaningful life to our people and we are determined to continue with the efforts to achieve greater progress and prosperity. In this endeavour, we seek the co-operation of all groups, both domestic and international, especially Rotarians like all of you, whose activities certainly do much to contribute towards closer and greater understanding among nations of the world.

In conclusion, I once again, would like to thank the Rotary Club of Ipoh for inviting me to be with all of you this morning. I sincerely hope that you will have a stimulating and useful discussions at this Conference and that you will be able to make some positive recommendations as a result of your deliberations. I, therefore, have much pleasure in declaring open this Conference and to wish it every success.