

**THE FORMAL ISSUE OF THE FINAL REPORT OF THE SOUTH COMMISSION
CARACAS, VENEZUELA, 3 AUGUST 1990**

His Excellency President Carlos Andres Perez;

His Excellency Mwalimu Julius Nyerere;

Excellencies;

Distinguished Guests;

Ladies and Gentlemen.

I am indeed honoured to be given this opportunity to say a few words on this auspicious occasion. It is also an occasion that we of the South can be proud of for after much painstaking efforts we have been able to produce a report which will set the tone for enhancing greater South-South cooperation.

2. In a sense, we are here today at the end of a long journey. All journeys begin with first steps. The first step began in Kuala Lumpur in May 1986 when leaders, academics and scholars of the South met at a conference organised by the Third World Foundation and the Malaysian Institute of Strategic and International Studies. The Kuala Lumpur Statement that it adopted declared that it was "both necessary and urgent for the South to reappraise its position and chart out a path for the future. To this end, we propose the establishment of an Independent Commission of the South on Development Issues".

3. Propelled by this Statement, I went to the September 1986 Harare Summit of the Non-aligned. Immediately after the official opening, I flew to Dar-es-Salam to invite President Julius Nyerere to be the Commission's Chairman. The Commission and its Chairman were announced on the fourth day of the eighth Meeting of the Heads of State and Government of the Non-Aligned. On a day when the applause was thin, I remember most vividly the enthusiastic response that arose spontaneously from the floor.

4. Between that day and today, there has obviously been much quiet effort and great intellectual diligence; and dare I say, ferment. It most certainly is appropriate that the journey that began in Kuala Lumpur four years ago should end today in Caracas. For in May 1986 when the scholars of the South debated the idea of a South Commission, they were inspired by many proposals of a similar nature, aimed at achieving the same end.

Excellencies,

Ladies and gentlemen,

5. The completion of the Report of the South Commission is of course a major milestone in the endeavours of the South. But milestones merely mark the major points in a journey and do not signify its end. This milestone is certainly no exception.

6. There have been many such reports and commissions in the past. We should take a measure of pride in the fact that for the first time this Report of the South is a genuine effort of the South, by the South, for the South. It is also written by the South, and funded by the South. I would like to congratulate its Chairman. I would like to congratulate its Commissioners. I would like to congratulate its Secretariat.

7. To be sure, it will be subjected to critical scrutiny. Indeed, it must be subjected to critical scrutiny. There will be cynics, who will say that what we have will be another academic document. Neither the extreme right nor the extreme left will be satisfied.

8. But its very nature, a consensual report -- which is what the South Commission Report has to be -- cannot satisfy any extremist position or comfortably fit the needs of the entire range of countries of the South. Few recommendations can be equally relevant to all countries of the South.

9. Speaking for myself, let me say that I fully endorse the central message of the Report that the South must move itself, and must find its own way in the world. There is no denying the moral case for assistance. But we in the South cannot afford to forget that the most important helping hand that we all need is at the end of our own right arm. It is an iron law of history that no-one can do anything to us worse than what we can do to ourselves. No one can do anything for us that is as valuable as what we can do for ourselves. This must be the central message of self-reliance at the national level and at the international level.

10. I also fully endorse the central philosophy expounded in the context of South-North relations. We must start from the secure foundations of realism. There is very little to be gained in 'taking on the North'. Those of us who believe in South-South cooperation are not conspirators against the North. We are believers in concerting our strength, in taking advantage of the potentials for cooperation between us, in seeking dialogue with the North and a say in the affairs of a world that is ours as much as anyone else's.

Excellencies,

Ladies and gentlemen,

11. The time for rhetoric is long gone. It would be the most severe indictment if the Report of the South Commission does become an academic treatise, one that will merely gather dust on the bookshelf.

12. I have every confidence that this Report of the South Commission will not be shelved and forgotten. For unlike its admirable predecessors, steps have been taken to guard against this eventuality. At the very least, the Report of the South Commission will move from here to the active agenda of the G-15, made up of not only Malaysia and Venezuela but of 13 other states committed to advancing South-South cooperation. Already, some of the recommendations of the Commission have been turned to reality, even before they were put into print.

13. The Commission recommends ' the participation of heads of state or government in regular institutionalised consul- tations' . Already the Summit Level Group for South-South Consultations and Cooperation -- the G-15 -- has met in Kuala Lumpur. It will be holding its second formal meeting in Caracas next year.

14. The Commission argues that ' the proposal to establish the South Secretariat requires immediate action' . Already a Steering Group of three foreign ministers (from Senegal, Venezuela and Malaysia) has been established and a ' group of professionals' will become a reality.

15. The Commission proposes that ' in the area of financial co-operation, priority attention should be given to the strengthening of regional and sub-regional clearing and pay- ments arrangements as well as export credit facilities' . I am glad to report that Malaysia together with other coun- tries have agreed to set up financial mechanisms to enhance trade among the countries of the South. Today, I am pleased to inform you that Venezuela and Malaysia have agreed to en- ter into a bilateral payments arrangement. Plans are afoot to expeditiously do the same with Argentina, Brazil, Chile, Mexico and Peru in South America. With regard to the African continent, steps have already been taken to enter into bilateral payments arrangements with Algeria, Botswana, Egypt, Morocco, Mozambique, Nigeria, Zambia and Zimbabwe. In Asia, we have already acted to quickly extend the concept -- already in place with Iran -- to Iraq, Myanmar and Pakistan.

16. In the Association of South East Asia or ASEAN, forms of payments arrangements already exist. The South Commis- sion recommends that they also be brought into being across continents. I am happy to inform that Malaysia will be con- vening a meeting of central bankers in November to try to operationalise this concept.

17. Also very much in line with the thinking of the South Commission, Malaysia has worked out the parameters and the terms of reference for a South Investment, Trade and Tech- nology Data Exchange. And God willing, in November this year we will convene an Expert Group meeting on this.

18. The South Commission recommends that ' cooperation among business enterprises of the South should be promoted at the bilateral, sub-regional, regional and inter-regional lev- els' . I am glad to report that Yugoslavia has agreed to convene the Business and Investment Forum for the South.

19. The South Commission has strongly argued that in the field of human resources development, ' priority should be given to the identification and development of selected Centres of Educational Excellence' and the establishment of South Fellowships to facilitate the movement of students, teachers and others in the field of education. Malaysia has already entered into concrete negotiations with regard to the former and will extend and expand the fellowships and scholarships that are already being afforded to developing countries.

20. The South Commission recommends that each country should set up a national committee to advise the government, to mobilise public opinion in support of South-South cooperation, and to promote people-to-people contacts. Malaysia will build on the existing mechanism that already exists and will entrust to this national committee the task of studying and developing the recommendations of the South Commission and other proposals for South-South cooperation from other quarters.

21. We may find that in many areas, only parts of the South can participate and act together. It is my view that where this is so, we should proceed, while encouraging others to join in when and where they can.

Excellencies,

Ladies and gentlemen,

22. The South Commission, titles its Report ' The Challenge to the South' . ' Challenge' is the appropriate keynote.

23. The Great East-West conflict is over. It was characterised by the division of much of the world by an iron curtain of animosity, hatred and prejudice. There are those today who fear that in place of the Great East-West Conflict of teutonic proportions will be a Great North-South Conflict of equally heroic character. I do not hold such a view. Conflicts become great and are enduring only where strength meets strength and power confronts power. This is not the South-North reality.

24. The concern is that, there is a greater danger, the danger of many of the countries of the South simply being forgotten, out of sight, out of mind, standing sullenly by the wayside, in the dark shadow of poverty and backwardness, as the speeding train of history and of progress whizzes by.

25. There is the danger that in the place of an iron curtain of animosity, hatred and prejudice dividing East and West, there will be an equally opaque mental curtain of ignorance, contempt and complete disinterest in as far as the North is concerned. Now, more than ever, there is the need for the South to be seen, to be heard, to be understood and to be able to move forward.

26. It is my fervent hope that what we do today and what we will together do in the years to come among ourselves and with the North, will ensure that the impoverished will be heard and that as much of the Third World as possible will be part of the mainstream of development. If this is a cry in the wilderness, a forlorn aspiration, let us remind ourselves that so too was the hope of the scholars of the South who met in Kuala Lumpur four years ago. But that hope has become a reality and we now have the results of their labours.

Your Excellencies, ladies and gentlemen, I thank you.