

## **THE 4TH PACIFIC DIALOGUE**

THE PALACE OF THE GOLDEN HORSES SG. BESI, KUALA LUMPUR, 12  
JANUARY 1998

First of all I would like to bid you welcome to Malaysia, to this 4th Pacific Dialogue. Malaysia is not quite what it was when you last met here. The economy is not doing so well. We have lost a lot of whatever due to the currency turmoil in East Asia. We are no longer growing at eight percent per annum as we had been doing in the last nine years before 1997. But these minor things are not going to affect our hospitality to our guests, something that is a part of our tradition. A good host would rather deny himself than deny his guests. And I believe Malaysians are still good hosts.

2. However we are in the midst of our month of fasting. In the month of Ramadan Muslims do not eat or drink or even think bad thoughts from sunrise to sundown. Malaysian Muslims are not fanatical. Certainly we are not extremist terrorists given to killing foreign tourists. But we do take our fast seriously. Even if we are not fasting for whatever reason, we do not eat in public. We are however considerate of our non-Muslim brothers and guests. They may eat and if they wish to, can think evil thoughts as usual. So if Muslims don't join you in your lunches and teas, it is not that they mean to be rude. You will find however that Malaysian hotels and restaurants serve lavish breaking of the fast spread to which all, Muslims and non-Muslims, are welcome to partake. Still many Malaysians are not Muslims and they do not fast. They can join you. That way Malaysian hospitality would be sustained even in the fasting month.

3. You have come here to discuss the affairs of Pacific neighbours, the countries and the peoples on the shores of the Pacific. The aim I believe is to create understanding about each other and among each other. As we rush towards the twenty-first century we want to see a better world and the Pacific Ocean, the divide which unites, is an important part of that world. It is important that the peoples of the Pacific make their contribution to building that better world.

4. At the moment the economic performance of the countries on the West Coast of the Pacific is not so great. I am sure you will be discussing about how to make it great again, to restore the confidence which is so essential for market forces to react positively and constructively. I don't have much to contribute towards the restoration. It seems that I tend to get in the way of the restoration. So I will not say much about the economy and the finances. I will be listening and waiting for your views and suggestions.

5. Other than this little problem Malaysia is doing well, bearing up well under the strain. We have always prided ourselves in our rationality and our unity. Ever since independence we, a fairly evenly mixed multiracial society, have been able to stay and work together remarkably well. It has not always been easy of course.

6. In 1969 we had racial riots and people were actually killed in the streets of Kuala Lumpur. People expected the riots to recur periodically. But there has not

been one since that 1969 incident. We have emerged from it more conscious of the damage it can do to us and the need to avoid it. Since then we have become more united, always having Governments in which every race is represented.

7. Malaysia has managed to be democratic without being unstable. We believe that elections should determine who should form the Government. Once elections have done that we do not try to topple Governments half-way through the statutory period by street demonstrations and general strikes, democratic though these may be. We allow the Governments to stay in power. The Governments have always been conscious that their re-election would depend on their performance. And so they seriously try to fulfill their promises, developing the country, providing the necessary infrastructures and attending to the welfare of the people.

8. They must have succeeded for they keep on being re- elected again and again, embarrassingly. Some say it is undemocratic not to change Governments at every election. We say it is undemocratic not to let people make their choice. If they choose to return the same Government it is their democratic right. It is also their democratic right to elect a substantial number of opposition members and ensure lively debates.

9. And so today more or less the same party rules. I say more or less because although the policies are the same, the styles may be radically different. Nevertheless all Malaysian Governments since independence in 1957 have concentrated on developing the country, every part of the country, the rural as well as the urban.

10. In international affairs Malaysia has adopted the universal policy of ' prospering thy neighbour' . We do not believe in zero sum games in which your opponents must lose if you are to win. Certainly we are not interested in destroying our competitors so that we can have a small piece of what they have. We believe in a win- win formula in which we gain and our partners gain as well.

11. In our experience ' prospering thy neighbour' , as the policy is usually described as, results in prospering yourself. When we were a two-commodity country the foreigners came to invest in manufacturing industries. We didn' t believe we could manufacture anything except wooden clogs. But the foreigners taught us to produce sophisticated electronic goods for export.

12. As a result of the industrialisation by foreigners we prospered and were able to buy a lot of things from other countries. The foreigners benefitted because we bought a lot of their products. In other words in return for their help in prospering us we helped in prospering them by being a good market for them.

13. On the other hand when Vietnam was trying to stabilise after the country was reunified a lot of Vietnamese decided to migrate. The country was very poor and the migrants were actually economic refugees. They landed in Malaysia because we are so near. We could not provide them with permanent asylum and had to arrange for them to be sent to more hospitable countries like Europe, the United

States, Canada, Australia and New Zealand.

14. Still we were not able to resettle all of them in third countries.

15. To resolve the problem we worked with the Vietnamese to help them rehabilitate the country. We even invested in Vietnam though God knows we need the investments for ourselves. But whatever may be the reason, Vietnam began to prosper a little, to have more job opportunities. And eventually we were able to repatriate all the remaining refugees because they saw opportunities for gainful employments in their own country. And so helping a neighbour to prosper help resolve the migration of their people to our country.

16. You can see why we believe in prospering our neighbour and not begging our neighbour. When you beggar others, their problems will spill over into your country. And among the problems will be mass migration to your country. We saw the Albanians invading Italy to reciprocate the Italian invasion of Albania before the last World War. The Albanians had problem of poverty in their country. Even though they could not very well like the Italians, they had to go to Italy to seek relief from the misery at home. The same kind of migration took the Mexicans to the United States. We in Malaysia believe that if our neighbours are poorer than us we will face this migration and other problems. Fortunately we are now as poor as they are. In fact where we were once host to almost two million workers we now have to send one million back. It was gracious of the CNN to report this. It also reported that there is no more haze in Malaysia once they noticed the clarity of the skies. We are duly grateful.

17. Stability is something that Governments like but the opposition dislike. The Governments of Malaysia want stability not only in the country but in the region as well. Indeed we want to see stability throughout the world -- but we cannot do much about that, not being even a bit player.

18. We have worked hard for stability in Malaysia and despite the opposition we have succeeded quite well. And because we are stable we can manage things quite well and weather the occasional storm that strikes us. We are able to tackle problems such as the one we face now fairly well. We will not come out of it unscathed of course. We will be bruised and battered but the Malaysians will pull through eventually. Putting money in Malaysia is still a wise thing to do.

19. In the region we are doing quite well. We are at peace with everyone and everyone is at peace with each other. Yes, we are all facing problems at the moment but that neutralises the problem. If some of us are facing problems while others are not, then we won't have equal capacities to work together. Now we have and we intend to use our common misfortunes to enhance our cooperation.

20. We hope to cooperate with all the countries in the Pacific Region and we expect to gain from it. So your discussions will be very interesting to us. We hope to get a few tips on how we can handle the problems we face.

21. Until then I would like to wish you a good dialogue. Do join in the breaking of

the fast this evening and every evening that you are here.