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Today I have the privilege of speaking to a select group of young people from Asia and the Pacific principally and the world. Many of you will be among the best and brightest of your generation. You attend some of the leading institutions of learning on earth. You excel in your studies. Some of the best budding brain-power on this planet are assembled in this room.

2. I truly envy you, your youth and the idealism that you possess. You have not become cynical and blase, not yet at least. You are not like us who have been around too long. You still believe that you can change things for the better and create a better world. I am glad for that for when the young lose hope there will be no future any more.

3. But remember some of the young can lose hope too. We see a steady rise in juvenile crimes. We hear of children killing other children, killing even their parents. More and more youths are going missing, taking to drugs and crimes of all kinds. But thank God, Allah be praised, these are the exceptions. The majority are still capable of contributing to the advancement of the human race. And they are better equipped with knowledge and skills than the youths of yesteryear. Certainly in terms of information they are better than their elders. They are less inhibited, approaching their powerful new tools with none of the fear and lack of conviction of the capabilities of these instruments. They think everything is possible.

4. You will therefore be able to contribute much to the wealth of human knowledge and progress. Many will focus on the scientific, will discover cures for incurable diseases, overcome physical barriers, delve into strange new worlds on this planet and in outer space. You will travel in space and meet greenman with many eyes, noses and ears, who will speak through the other end of their alimentary canals, walk on their hands and absorb energy from the environment through their pores. You will converse with them in strange languages and contribute to the sum of human knowledge.

5. But some of you will remain unscientific, dedicating yourself to the arts, to producing what is beautiful to the eyes, the ears and the tactile senses. You will write poetry, paint pictures and carve strange shapes. Your ideas of beauty will be quite revolutionary. Ugliness might become beautiful, new colours will assail the eyes and new sounds will soothe you or propel you into a state of frenzy. Art will indeed change, what is new today will be either the classics to you or discarded as rubbish.

6. We will not understand you of course. We will be the squares or may be hexagons which will not fit into your world. But we know that you too will age and be the squares and or hexagons of the generations after you. That is the way of

life. We change, our ideas and perceptions change. The only thing that we will have to acknowledge is that the pace of change will be faster, the shelf-life will be shorter, life will be more and more hectic.

7. But through all these I hope basic human values will not change or if they change they would change back so that we humans would continue to be human and humane, would value kindness and sympathy, consideration and compassion for others, upholding justice and fairplay, caring and charitable.

8. Although throughout history we see progress almost as a straight line, almost as if there never is a turning back, but in actual fact we move back and forth, swinging like a pendulum. We progress and then we retreat, we speed up and then we slow down and we swing back. This is particularly so with human values and systems.

9. We were free and loners at first but the family emerged, grew into extended families, with small communities and then into ever larger communities. Some did not become large because they lacked the skills for communal living beyond a certain size. They broke up and formed new small communities. They continued to live in tribal villages ruled by a primitive system of chieftainship. The strong ruled, made unwritten laws and expelled challengers or those who would not submit .

10. But some developed sustainable large communities governed by complex customs, rules and laws. A feudal system emerged based on some kind of divine hereditary leadership. To the feudal lords and kings, total submission was imperative. But in return there was law and order, relief from anarchy and the need to submit to numerous bullies and their arbitrary ways. Life became relatively safe for the ordinary people, free from conflicting rules. As more and more people sought to live under strong single chiefs, they evolved into kings and emperors using the loyalty of their subjects to subjugate others and expand their fiefdom. And in order to be above attack by their people they invented the idea that the king could do no wrong; that he was above the law, that he was god's shadow on earth when religions were adopted.

11. If the King could do no wrong then the wrong that he did must be right. And Kings became more and more despotic, oppressive. He ruled through terror, took away the wealth of his subjects, made slaves of them and exercised the power of life and death over them.

12. The pendulum swings, went past the centre, getting further and further away from the ideal; the King as the protector, the law-giver, the dispenser of justice. The King and kingship became synonymous with injustice and oppression.

13. Fear prevented opposition. The few who opposed were liquidated. Fear was heightened. Brave men emerged to challenge, to face personal threat to life, to face death even. The momentum gathered. The swing of the pendulum was reversed. Several times the kingly ideal was resuscitated. But kingly extremism and oppression came back. Finally feudalism and kingship had to be discarded

to be replaced by the rule of the people. But there were too many people. Someone or some group must rule. Liberal democracy, socialism and communism were invented to enable the rule of the people to work.

14. Socialism conferred rights to workers. But workers abused the rights and the state suffered and went into decline. Communism gave rise to the dictatorship of the proletariat. But the dictatorship overwhelmed the proletariat. The state, meaning the few who gained power oppressed the people. The state apparatus consumed all the wealth leaving the people as poor and as exploited as ever.

15. In the end after almost one hundred years of loyalty to a system which dispensed injustice and oppression, socialism and communism were discredited and discarded leaving liberal democracy triumphant. Will liberal democracy always uphold liberalism, impartiality and dedication to justice and fairplay?

16. Actually liberal democracy evolved from blatant capitalism. Faced with the challenge of Socialism and Communism, Capitalism presents a more friendly face. Extreme greed was curbed. Profits were taxed in order that the less fortunate members of society could get a fair share. Monopolies were broken up and made illegal. Regulations were introduced to prevent abuses of the free market system. Workers were given the rights to bargain, backed by industrial action. Finally the people were allowed to choose the different permutations of liberal democracy. All the while the fear of Communism in particular kept extreme capitalism at bay, regulated and controlled. To prevent the elimination of capitalism, the name was changed. The free market was promoted in which the capitalist could survive albeit in a controlled environment. All the while the challenge of Socialism and Communism forced the out and out Capitalists to curb their greed and to submit to the people's Governments.

17. But the abuses of Socialist and Communist principles lead to Socialism and Communism being discredited and defeated. With this the capitalism-based free market became free of competitors. The friendly face became necessary no more. And from behind the mask of friendliness the ugly face of unmitigated capitalism emerged. With nothing to restrain it, the pendulum gathers speed and overcame all the old obstacles to its swing. Naked capitalism can no longer be obstructed by Governments or by International agencies or anyone.

18. This is what we are witnessing today. Governments have abdicated their roles in favour of those who control capital. From now on the people who control money will run the world with only one objective -- to make more money. If it becomes necessary to overthrow Governments in order to do so, then Governments will be overthrown. This is the new ideology, so powerful that it is the only one permitted. No opposition will be tolerated. Still in order to hide the ugly face of absolute capitalism, it is now renamed market forces.

19. In the heyday of feudalism, empires were built by conquest or by marriage between ruling families. In this new era of unlimited capitalism acquisitions and mergers achieve the same objectives. Instead of imperial states there are now empire-sized businesses. Banks absorb little banks and merge with big ones to

become bigger. And the process will go on until there will be only two or three banks in the world. Industries will merge or acquire controlling interests. A few hotel chains and restaurant chains will cater to all the needs of people worldwide. Air and sea transport companies will merge and absorb competitors or put them out of business if they refuse. The electronic and print media have been subjected to the same amalgamation and central control. This is to ensure press freedom, so that everyone will read the same news from the same free source. News contrary to those coming from the free source must by definition be considered not free. And such news must be curbed, and prevented from reaching the free masses. The masses must be freed from access to unfree news.

20. There is no conspiracy. It is just that the free market works that way and brings about that result. The free press will not tolerate anyone suggesting that what is happening is caused otherwise than through the workings of a free market. And the free market is good for the world. Why should anyone want to say otherwise? If they do then they are against freedom. And people who are against freedom should not enjoy any freedom. They must be discredited and punished and rendered ineffective.

21. When absolute rulers and dictators preside over a country, law and order is based on fear, varying degrees of fear, fear for personal safety, fear of deprivations of one kind or another and fear for the well-being of the family or the community.

22. Thank God there are no more dictators or absolute rulers now but new capitalism or market-forces exercise power in very much the same way i.e. through fear. But the object and the scale is different. They are much bigger and they are getting even bigger, involving nations at first but now whole region and continents.

23. In currency devaluation and depressing the stock market, the new capitalists have found the most effective instrument for creating fear. Thus when the currency of a country is devalued instant poverty can be created. The capacity of a country, a company or an individual to purchase anything is reduced by the percentage of the currency devaluation. It is as if a country with a GDP of US \$100 billion has lost US\$50 billion. The per capita of US\$5000 is reduced to US \$2500. The assets of companies shrink by 50 percent if the currency is devalued by 50 percent. And so if an individual, company or Government owes money the capacity to repay is reduced by half. Put the other way round the debts have doubled without any additional borrowing.

24. Add to this the fall in share prices say by 50 percent, the market capitalisation will be reduced by the same percentage. The capacity to raise loans based on assets will be halved. But the local lenders too may have their capital reduced and not be in a position to lend. In fact they may have to foreclose if the borrowers cannot top up. With the economy in recession due to the currency devaluation the borrowers cannot make sufficient in order to top up. The shares are sold off by the lender to a weak market which will of course

cause a further fall in the share prices, reducing further market capitalisation.

25. The money in the system diminishes in amount but foreign borrowing to replenish assets would increase the nation's debt further. If there is high foreign borrowing then the ratio of debt against GNP will deteriorate, causing a loss of confidence on the part of the market. This will start another round of attacks resulting in further devaluation of the currency and market capitalisation. Yet not borrowing will result in no credit being available to the banks and companies hit by the double whammy of currency devaluation and share market collapse.

26. The country cannot go against the market forces because to do so would result in a loss of confidence and another round of attack. But if money is tight and interest rates are raised in order to prevent further devaluation, the businesses will all go bankrupt. Along with the businesses there will be massive lay-off of workers including executives. Massive unemployment not only result in loss of revenue for the Government but decrease in retail businesses. This in turn affects supporting businesses such as transport and other services and of course the import of goods. When goods are not imported, then import duties will diminish, further shrinking government revenue. All these add up to massive loss of revenue on the part of the Government. Paying the administrative machinery may become impossible.

27. Obviously a country which is the target of an attack will be caught between the devil and the deep blue sea. To maintain the confidence of the market forces it will have to increase interest rates, reduce credit, increase taxes and remove subsidies. These measures will bankrupt companies, throw workers out of jobs and induce riots and political instability. Eventually the country will go bankrupt and foreigners will buy up all the good companies at a cheap price.

28. On the other hand if the country defies market forces and try to keep interest rates low, borrow money to replenish the system and rescue beleaguered business there will be another round of attack by market forces resulting in further devaluation of the currency, more capital loss in the market, bankruptcies of the banks and businesses, further reduction of Government revenue and economic disaster for the country. There really is no choice but to submit to market forces.

29. Who are the market forces which can so easily impoverish countries and undermine the independence of nations? Are they the people in the market place who buy and sell goods and services? Are they the wholesalers and distributors? They are none of these. They are actually a shadowy small group who trade by changing figures on computers located in the currency trading rooms all over the world. No real money is involved. No money change hands. No money moves anywhere. The transactions are merely made on computer screens and recorded through changes in the figure. Millions may be traded in a matter of seconds or minutes. Millions may be made or lost. But the effect on whole nations and people is devastating. Suddenly as a result of the figures changing, people, nations and even regions become greatly impoverished. Nations can be bankrupted, with millions being thrown out of jobs.

30. But when this tragedy is mentioned the only reply is a bland 'that is what currency trading is all about'. They, the traders act according to herd instincts. If they see movements in one direction then everyone moves in that direction. If someone sells then everyone sells. And so the devaluation gains speed. Get their leader to regain his confidence and everyone will follow.

31. It is a sad commentary on the level of human development that people, intelligent people, should behave like herds of cattle. But they seem to glory in their herd behaviour. People who criticise them are regarded as financial ignorami, as dim-witted and deserving of whatever ill-fortune may befall them or their country.

32. This conference is not going to put an end to this exploitation of the poor by the market forces. It is not even going to bring relief to the beleaguered East Asian countries, the former tigers and dragons. But this conference is about Asian and International Relations. Obviously it has to examine the relations between Asian countries and the rest of the world and also between themselves.

33. What I have tried to illustrate is the distance off-center that the capitalist free market pendulum has swung. We have become such believers in the system that we no longer care for the original objectives or the obvious results. A system that was designed to free people from stifling Governmental regulations and enable them to prosper through their own initiatives and labour has now resulted in the suppression of that very freedom and brought about misery for the people instead. And that misery is very real. Millions are suffering, whole nations and even regions are suffering. All that is offered by way of justification is that they have suffered because their Governments are not open and democratic.

34. It reminds me of a television report on the shooting of demonstrators by the law enforcement forces of a certain state. At the end of the episode, the commentator said by way of mitigation "But at least this is the only democratic state in the region". Being democratic excuses all, even the killing of people. If you are not democratic then even if you bring prosperity to the country and the people, you must still be considered wrong and you must be disciplined and chastised.

35. The free market system is good. Certainly it is better than the centrally planned economy of the Communists. But the free market now translates into unrestrained dominance of the rich over the poor, the strong over the weak. Apart from calling capitalism "market forces" it is no better than the inconsiderate capitalism of the past; the capitalism that brought about the violent reactions and the birth of socialism and communism.

36. Can the relation between nations be entirely based on the free market and market forces, which is capitalism by another name? Can market forces really discipline Governments when the principal objective of the market is to make profit, maximum profit?

37. For centuries feudalism was sustained through propagating feudalism as a

God-given and God-sanctioned system. The Kings were the defenders of the faith, the symbol of Gods rule over this earth. The people must not complain even if the feudal oppression was contrary to the teachings of the faith. If you question, worse still if you rebel, then you are a heretic. Many were the unfortunates who were burnt at the stakes or had their heads chopped off for being heretical.

38. Today the religion is liberal democracy and its corollary, the free market. The priests are the ever more liberal democrats and the free marketeers. They no longer burn heretics at the stakes nor chop off their heads. They merely apply sanctions or devalue the currency. The results are the same -- people and states live in fear. They submit rather than resist.

39. In the past religions and sacred books were used to cow people. Today the media does a better job. As in the past when only the priests could read and interpret the holy books anyway they liked, today the media is manipulated by the media-moguls in the same way. Heresy and opposition of any kind is forbidden by them. Conform or be silenced eternally. If given an opportunity to air your heretical views, then those views are immediately debunked and debunked until the heretic himself begins to doubt his own views and his sanity. It is brainwashing on a worldwide scale and it is made possible by the new capitalism which promotes oligopolies on a world scale in the media industry.

40. If an idea is mooted that will further strengthen the grip of the oligopolistic system the world's media would take it up, argue in its favour, propagate it and make sure the contrary views are negated. There was a time when the world was divided between a number of western empires. It was justified because it was said to be civilising. It is the white man's burden to bring modernity to the backward ignorant peoples who knew no better. Of course in the process the white man made a tidy profit for themselves and their own countries. But the point is their colonisation brought the fruits of civilisation to the backward people.

41. But somehow or other the conflicts between the imperial west lead to new thinking about the white man's burden. It was exposed as nothing more than an attempt to justify exploitation. Gradually this debunking gained ground and there was a crusade to dismantle empires. And so the colonies gained independence.

42. For a time they enjoyed their independence. Some messed up things but there were others who profited from these independence, developed and even challenged their former masters in their own backyards. Their impertinence was made possible by the Cold War when the champions of both sides felt a need to prevent the other from gaining influence in the new independent countries. These countries also made full use of the options to defect.

43. Then the bipolar world ended leaving a world dominated only by the liberal democratic free marketeers. The need to win support from the small nations disappeared. Without the options to defect the weak nations had to submit to the sole remaining system.

44. Without the restraining effect of the competition the winners have begun to run wild. The old ideas about the need to civilise the backward people have returned with a vengeance. Only this time the pressures are stronger and more widely spread.

45. Democracy is still evolving. New ideas are being thrown up all the time. Deregulation, liberalisation and globalisation are now being equated with the freedoms of democracy. It is the right of the peoples of the world to have free choice of the best of goods and services. The Governments should not deprive their peoples of this right. They should not use their borders to protect inefficiency and inferiority of goods or services. They should open up their borders, should deregulate, should liberalise in order to allow access of the biggest, the best, and the most efficient.

46. And as usual the cry is taken up by the free world media. They promote these new concepts and tolerate no opposition. Anyone who opposes the words of the free media must by definition be against freedom. If the free media promotes liberalisation, deregulation and globalisation, then opposing them would be opposing freedom. There should be no freedom to oppose freedom.

47. If globalisation, deregulation and liberalisation seems to profit the rich and the powerful, as in the past and civilising the natives gave profit to the propagators of the civilising work, that is coincidental. It so happens and the fact that it happens should not detract from the good that was intended.

48. But you, the idealistic young, do you think that we should ignore the fact that all these new twists to liberal democracy are not only enriching the already rich at the expense of the poor or should we take into consideration the results also? Can international relations be based entirely on good intentions while ignoring the bad results?

49. Asians have dared to speak about Asian values. We dared to say that Asian values made tigers and dragons of our countries. We dared to assert that Asian values are superior and are actually the right universal values.

50. Today all the Asian countries are in a state of turmoil and regression. Many say that Asian values have been the cause of this regression. Asians condoned corruption, nepotism, crony capitalism etc. But is it true that Asian values and practices brought the misfortune that are faced by them today? Isn't Western greed also responsible? Isn't the new capitalism, the market and the forces that move it, the single-minded quest for profit not equally or more responsible?

51. In the conduct of international relations can we afford to be just fanatical followers of an ideology or should we examine the results as well? How many times have our systems and our ideologies gone wrong? Feudalism, Socialism, Communism -- these are all systems which were fervently believed to be right and good for human society at one time. They have all failed. Could it not be that the new ideology, the free market and the market forces, globalisation, liberalisation, deregulations, absolute freedom etc could eventually be proven

equally wrong, that they will lead to human misery, to the strain in the relations between nations, to war even as the oppressed struggle to liberate themselves once more from their erstwhile colonisers.

52. You are here to discuss a subject that is very relevant and important to the future of relations between nations in particular Asian countries and international relations. You are not going to solve any problem overnight. But your deliberation and findings will have some bearing on the thinking about current issues and human relations.

53. There are many things you can discuss. The United Nations, arms control, nuclear and conventional, eradication of poverty, human rights, etc. etc. Certainly the subjects I have mentioned are among them. You may regard them as irrelevant and unimportant. That is your right. But it is also my right to draw your attention to the great injustice perpetrated on the innocent peoples of Southeast Asia in the name of democracy and the free market.

54. It seems therefore that you have a great many things to mull over and to think about if you want to make a difference with your lives. Some of the things you will decide to do may require great moral courage and even sacrifice. You may have to stand up against powerful odds. Tremendous pressures can be put upon you to desist, to conform and not to rock the boat or criticise the prevailing scheme of things. You can be labelled and stigmatised.

55. But there is also great satisfaction to be had from working for the good. Few things of moment are achieved without a struggle. And if some stand against you, there will also be many who will stand by and with you. In the end history will reward you.

56. Ladies and gentlemen, do not ever be tempted to take the low road. Choose the higher path. May God be with you every step of the way.