

## **The Second World Knowledge Conference**

The Ballroom, Mandarin Oriental, KLCC Kuala Lumpur 8 March 2000

"Transcending The Divide"

Let me add my sincere words of welcome to this Second World Knowledge Conference.

2. The organisers have asked me to speak on 'Transcending The Divide'. In thinking about what to say, I was immediately reminded of two things. First, the story of Prophet Moses and the Red Sea. Second, some words of Bertrand Russell. As you all know, Prophet Moses parted the Red Sea in order to safeguard his people and to eventually ensure their freedom and prosperity. It required a miracle to pull off that feat.

3. I believe that it will require a miracle, indeed a series of such miracles -- to pull off the feat of transcending the present global divide between the richest developed and the poorest developing, between those at the cutting edge of advancement and those being crushed by the weight of poverty, between those who have so much and those who have practically nothing at all. I would be completely surprised if the gap will actually be transcended in any meaningful way. To be sure, a handful of middle income countries can make the quantum leap to the informatised society, thus to become developed countries. But it would take a miracle to prevent a massive widening of the knowledge and the economic gap between the rich and the poor in the years ahead.

4. As for the words of Bertrand Russell, in his Autobiography he writes: 'Three passions, simple but overwhelmingly strong, have governed my life: the longing for love, the search for knowledge, and unbearable pity for the suffering of mankind'.

5. I do think I have a similar longing for love from my wife and family. I cannot claim a similar thirst for knowledge like this great philosopher of the 20th century. But I do share his third passion, his unbearable pity for the suffering of mankind, for the wretched of the earth.

6. I make no apologies for stressing before you one of the great atrocities of the 20th century -- which must not be perpetrated in the 21st.

7. Despite all the progress made by mankind, the massive advances in the liberation and empowerment of mankind, there is no denying that never before in the history of man do we see so many living in abject and absolute poverty. It might not be out of place to remind ourselves, even as we ponder the wondrous information instruments and knowledge machines of today and next year, that vast numbers of mankind have never opened the pages of the humblest book, although the technology of printing is more than a thousand years old. Vast numbers of mankind are yet to make \_ or receive their first telephone call or enjoy the blessing of the electric bulb.

8. This morning, this afternoon and tonight, more than three thousand million human beings on this planet have to survive and get by on two U.S. Dollar a day. This is less than what you paid for your cup of coffee in the hotel where you are staying.

9. Many statistics show that over the last decade especially, the developing have begun to catch up with the developed. In many ways, the development gap has indeed been narrowed. In many ways, quite dramatically. But take the so-called miracle economies of East Asia out of the equation and you will get a different picture.

10. As a human being who has journeyed far and wide over highways bustling with traffic as well as on the roads less traveled, I have never ceased to be amazed by how very generous poor people can be in their daily lives. I have never ceased to be amazed by how often the poor are willing to share what little they have. I have, at the same time, never ceased to be amazed by how very little some of the very rich can spare for the impoverished. I have never ceased to be amazed by how selfish, self-centred, greedy, avaricious, grasping and rapacious some of the very rich are.

11. Unfortunately, in our world of reality, generosity is something that no society had a right to expect in the past. It is not something that any society can expect in the present. No generosity can be expected in the future. Unfortunately for the poor and the backward, in the days ahead the cards are even more stacked against them.

12. This is because the information and knowledge gap between the economic haves and have-nots is even greater than the income and economic gaps between the backward and the developed world. The poorest societies on earth are even more starved of knowledge than they are of food. Those who need it most have the least. Herein lies the present tragedy and the making of a future catastrophe.

13. I am not, in the humorous words of Oscar Wilde, young enough to know everything; but I have no doubt whatsoever that in the years ahead, knowledge will be, dramatically, a much, much greater determinant of human performance in every area than at any time in the long history of mankind.

14. Knowledge has always been important, of course. The ancient Egyptians did not raise the stones for the pyramids relying on the incantations to their gods. The waters in the irrigation canals of the great Indus Civilisation did not flow according to the laws of ignorance. Knowledge has always been power and wealth.

15. But it is undeniable that we have now entered the Information Age, a new historical era where economics and every other area of human life will hinge more than ever before on the production, accumulation, distribution and application of knowledge.

16. Whether we know it or not, whether we feel it or not, whether we want it or not, the paradigm shift has already started. There has already been a 'sea change', a phrase from Shakespeare's, 'The Tempest' written 400 years ago. Obviously this great playwright was the world's first multi-media masters. Shakespeare wrote: 'Of his bones are coral made; those are pearls that were his eyes; nothing of him that doth fade but doth suffer a sea change'.

17. If bones have turned to coral, if eyes have turned to pearls, if we have already seen a sea change, we must now prepare ourselves for an ocean change. Those who are strong enough and empowered enough to sail on this vast new ocean will reach shores never before dreamt of. Those who are weak and infirm, who cannot safely sail on this

tumultuous ocean, will simply be left behind if they are lucky. They will be dragged under if they are not.

18. A central part of the radical transformation that has begun is the result of the I.C.T. revolution, the dramatic impact of information and communication technologies. A critical reason is also the breaking down of barriers and borders and the opening of all societies to the fierce force of global competition and global penetration. The first revolution, the I.C.T. revolution, is irreversible.

19. As for the globalisation revolution, it is, of course, not new. The first globalisation revolution started more than a hundred years ago. It culminated in what was called La Belle Epoch. It ended with the First World War. The globalisation revolution took six decades to make a comeback. But the comeback has been made. The second globalisation revolution came into force by the end of the eighties.

20. There is today a great deal of 'globaloney' about 'globalisation', a word we so often use because we don't quite know what we are talking about. I have no doubt that it will be brought to an abrupt end by the multitudes of the world if rapacious, unbridled and unconscionable capitalism bereft of ethics, morality and caring rides roughshod over the welfare of people.

21. The 'Battle in Seattle' was the first dramatic 'wake-up call' to us all. Especially those in the globalised fairy-land would do well to wake up. Globalisation is not inevitable. But I do believe that with cycles of ebb and flow, with the arrival of greater sanity, balance and consideration, globalisation will find a way to not only forge forward but also to fast forward.

22. Equally clearly, in grasping the opportunities of the Information Age and dealing with the dangers of the Information Age, we can expect no assistance, no real helping hand from anyone. The only helping hand we can rely on will be the one at the end of our own arm. If we are to transcend the great divides, we must do it ourselves.

23. Just as no one can do anything to us worse than what we can do to ourselves, no-one can do for us anything better than what we can do for ourselves. This does not mean that we turn away from the world or that we turn the world away from us. But it means that we understand fully that God will help those who help themselves.

24. What do we need to do to help ourselves?

25. We must be prepared to examine every sacred cow, to give up every pre-conceived notion. In the pursuit of information, knowledge, and wisdom, we must be prepared to face reality. We must embrace change, pursue novelty, crave innovation. We must learn. Even harder still, we must unlearn. We must remember to forget old ways. We must force ourselves into new habits. We must build the new processes, institutions and organisations that are necessary for the Information Age.

26. My country launched our march into the Information Age with Vision 2020, which was enunciated in 1991, and which struck a responsive chord in the hearts and minds of Malaysians of all stations, creeds and political affiliations. In our Vision 2020, we set the goal of becoming a fully developed nation by 2020, the end of our second generation as

an independent country. We stated our conviction that 'What we have between our ears is much more important than what we have below our feet and around us'. We understood fully that 'our people are our greatest resource'.

27. Vision 2020 emphasised that in the Information Age which we had entered, our society must be information rich. Vision 2020 noted that 'It can be no accident that there is today no wealthy developed country that is information poor and no information-rich society that is poor and undeveloped'. Vision 2020 noted that: 'There was a time when land was the most fundamental basis of prosperity and wealth. Then came the second wave, the age of industrialisation. Smokestacks rose where fields were once cultivated. Now, increasingly knowledge will not only be the basis of power but also prosperity'.

28. Vision 2020 urged that 'No effort be spared in the creation of an information-rich Malaysian society'.

29. If Vision 2020 was the first strategic step into the Information Age, Malaysia is now ready for the second step. We are now ready for a concerted, comprehensive and committed quantum leap which will re-make Malaysian corporations and re-invent Malaysian society. This second step will be called 'Strategic Initiative One' of the 21st century.

30. Let me be clear about what many have called 'the new economy' and 'the K-economy'. This is especially necessary because there has been a surplus of vague words, wonderful jargon, novelistic concepts and bombastic verbiage which only confound rather than clarify. Malaysia's 'Strategic Initiative One', the second step on which we are now embarked, does not mean the abandonment of our industrial backbone, which today contributes more than 37 per cent of our Gross Domestic Product, which provides 30 per cent of all jobs.

31. We are among the most industrialised economy on earth and we are not going to fall down the industrial ladder, no matter how many will try to push or pull us off. We are also one of the most open economies in the world. We live and we die on trade. Last year, more than 85 per cent of our exports were manufactured goods. Although we must dramatically enhance the quality of our industrialisation and ensure much higher domestic value added; although we must make sure that every sector of our economy must be made world-class and globally competitive, although the services sector must inevitably expand, although we must ensure the success of our Multi-Media Super Corridor, spawn and build the world-class multi-media sector, the basic structure of the Malaysian economy will not be fundamentally altered in the short and medium term. But through the shift to the K-economy, where the knowledge content and the knowledge contribution will see a quantum leap in every area, the Malaysian economy and Malaysia's society will not be quite the same again.

32. In the Budget presented in October last year, the Government explicitly stressed that it was necessary to ensure a paradigm shift: a fundamental move from the production-driven economy to the knowledge-driven economy. A fundamental shift from the P-economy to the K-economy. The Malaysian Government has now started the process of drafting The K-Economy Master Plan.

33. By the end of September this year, Insha Allah, we will adopt a National Strategic Plan. Many of the vital measures that will need to be taken will be incorporated in the

budget to be presented in October this year. A series of concrete Plans of Action in Key Strategic Areas will be completed within one year. The whole process of national consultation, brainstorming, drafting and national mobilisation should be completed within 18 months from this day.

34. Our K-economy Master Plan will not be drafted by the best and brightest, cloistered behind closed doors. The K-economy, the maximum application of knowledge to every Malaysian economic and business endeavour in every economic sector, is not an elitist process but one involving every Malaysian from the teacher in the classroom to his pupil, to his fisherman father and housewife mother, to the driver who drives the school bus, to the mechanic who maintains it, to the engineer who designs the vehicle, to the entrepreneur who owns the company, to his secretary, the janitor and the chairman of the Board. In order for us to succeed with the paradigm shift to the K-economy, all Malaysians, including the young of the Wawasan generation, will have to be fully involved.

35. The K-economy Master Plan must be a master plan for the entire nation and a personal master plan for every citizen. It must belong to and be owned by all Malaysians. This is why in the the process of drafting it, all segments of Malaysian society must participate. Before a full national consensus is reached, a thousand ideas must contend and a hundred flowers must bloom.

36. I do not know if those responsible for the K- economy Master Plan will consult me. In case they do not, let me throw in my two cents\_worth. Let me set out some of the things that we in Malaysia must do in the hours, days, weeks, months and years ahead in order for us to transit, body and soul, to the K-economy.

37. Vision 2020 says: 'Malaysia has one of the best educational systems in the Third World. But for the journey that we must make over our second generation, new standards have to be set and new results achieved'. Vision 2020 also says that 'We cannot but aspire to the highest standards with regard to the skills of our people, to their devotion to knowledge and knowledge upgrading and self-improvement, to their language competence'. These words are even more relevant today than in the early nineties.

38. We must build on these commitments which we have made to ourselves and to our people. We must build on the good habits and institutions. But we must be prepared to question basic assumptions. While we must live and work in serene surroundings we must never forget that we gain more by investing on the passion and the capabilities of the human members, the librarian, technical assistant, assistant lecturers, lecturers, associate professors and professors -- of the faculty. A good university is a centre for great learning, and not just a congregation of marvelous buildings surrounded by marvelous scenery.

39. When we make the massive investments which we must make at the tertiary level, we cannot afford to neglect in the very least the primary level where the foundation for learning is laid and where there is a much much bigger bang for the buck.

40. Malaysia fortunately has a comparatively smaller problem with regard to the brain drain than the vast majority of developing countries. We must bring outstanding Malaysians who have matured elsewhere back to their country. But equally importantly, in the days ahead, we must reach out to the four corners of the world to ensure a massive brain gain, an infusion of men and women of extra-ordinary talent, creativity, knowledge, skill and other capabilities. They must range from bakers to bankers, from chefs to

computer whiz kids, from managers to musicians, from inventors to investors. We must take them wherever they are from.

41. The time is not far when we must set the target of reducing the number of foreign workers in this country by 100,000 a year, reducing the number of the unskilled, low-knowledge workers by 95,000 annually whilst enriching our economy and society at the same time through an annual infusion of 5,000 extra-ordinary world citizens of extra-ordinary talent, extra-ordinary creativity, extra-ordinary knowledge, extra-ordinary skill and extra-ordinary networking and other capabilities.

42. The whole area of human capital is critical to our performance and global competitiveness. But much, much more needs to be done.

43. For the Information Age and the K-economy, we must have a first-rate National Media System. The internet and other I.T. innovations must be a large and critical part of this national media system. But let me stress that newspapers and magazines and books remain important. Broad-casting and narrow-casting television and radio remain extremely important. They all remain important. Indeed they will be even more important in the Information Age and the K-economy future, even though increasingly they will be accessed through the internet.

44. This country must most seriously enhance the production and supply of information, knowledge and wisdom and assure their accessibility to all our people in every area of work.

45. We must work hard on the demand side, always making sure that we ensure the needed priority with regard to access. Functional literacy must be broadened to all, including the very old. We must aim for 100 per cent basic I.T. literacy. We must vigorously build on our language skills whether it be in English or Arabic, Malay or Mandarin, Tamil, Thai or Tagalog.

46. There will of course be need for reform in the private and public sector. The ancient and hallowed 'silit syndrome' must be done away with. The traditional 'Great Information Hoard', which operates within the corporation, the university, the civil service quite understandable in an information and accessibility poor environment, which makes knowledge that extra important and therefore that extra valuable, to be coveted, hidden and hoarded must be killed.

47. The private and public sector will need to operate according to new rules of transparency, new regulations for disclosure, new processes of corporate and public sector governance.

48. All the while, we must make sure that the short and long-term social effects are fully understood and proactively responded to and that equity and social justice are never neglected. All this has of course to take place within a context of massive technological innovation and expansion.

49. At the beginning of this address, I talked about two great divides. The great divide between the economically rich and the materially poor of this earth and the great divide between the information and knowledge rich and the information and knowledge poor of

the world. Please let me end with a few words on the third great divide: the great divide within all our societies between those who are information and knowledge empowered and those who are information and knowledge disenfranchised.

50. In many countries this is the most urgent issue to address, the most difficult and the most critical for no society can move forward as a cohesive social community if the vast majority are left behind. A country that cannot advance the vast majority cannot sustain the welfare of the vanguard minority, no matter how talented that minority, no matter how brilliant their capabilities and how great their accomplishments.

51. We cannot afford and we must not afford the shameful waste of the talents and the contribution of a disenfranchised underclass. We cannot afford and we must not afford the rage and the social disharmony. We cannot afford and we must not afford the political costs.

52. In all our societies, we must ensure not only that as many as possible get onto the information super- highway but also that none are left by the wayside, to throw stones or hand grenades at the vehicles speeding past.

53. The Information Age that is upon us holds out the promise of a new world of shared prosperity, a global renaissance. At the same time, it also holds out the danger of economic exploitation, societal devastation and a new era of imperialism and colonialism.

54. For the sake of the world, I pray that we truly can bridge the economic and development gap, the information and knowledge gap and the great divide within. I pray that we can summon not only the information, not only the knowledge, but also the wisdom to choose the right road.

55. I hope that this conference and you who are in the forefront of our Information Age will be able to help us all to find that road and to inspire us all into making that journey.