

**SPEECH BY THE HON TUN DR MAHATHIR BIN MOHAMAD  
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Firstly, I would like to thank the Department of Malaysian Studies of Cairo University for this invitation to officiate a Symposium on "The Political Thoughts of Dr Mahathir Mohamad". I really feel somewhat embarrassed that I should be involved in promoting myself or my thoughts. I had always tried to avoid any personality cult developing around me. But if my thoughts can contribute to something good or they would help others to avoid the mistake I have made, then I suppose I have no right to object to discussions on them.

2. Specifically I believe we are here to discuss about Malaysian Domestic and Foreign Policies and how they were balanced. For almost 450 years Malaysia was under direct or indirect European colonial rule or hegemony. Independence which was achieved in 1957 is therefore very precious to us. Right from the beginning we wanted our independence to be truly meaningful. For this to be achieved we had to ensure that we are strong enough to avoid having to seek aid and support from the rich and powerful nations, especially those who once colonised us.

3. We had chosen democracy as our political system. This is not the easiest political system to work. It is made even more difficult in Malaysia because we have a multi-racial population divided more deeply by religions, languages, cultures and economic disparities. In most multi-racial countries conflicts and turmoil are common and insoluble.

4. But the founding fathers, the Malay, Chinese and Indian leaders who led the struggle for independence curbed the nascent racialism and developed a system of sharing power and wealth that reduced racist sentiments. They believed and they fostered the belief that it is far better to have a share in the growing wealth of the country than to have the whole of the wealth for one race which may retard growth so that in the end no one gets anything. They picture this as having a slice of a growing economic cake rather than the whole of a shrinking cake.

5. It was simplistic but it was logical. A violent struggle to grab everything by any single race would so destabilise the country that it would not be able to grow, to prosper. In the end no one would get anything, everyone would be poor.

6. By agreeing to share as equitably as possible, the resultant stability would stimulate growth and each slice of the cake would actually be bigger than the whole cake at the beginning. And this in fact is what has happened in Malaysia. Poverty has reduced from 70% to 5% today. Absolute poverty is less than one per cent.

7. A Government is not meant to confer status or power for the individuals who lead the Government. A Government is about ensuring the well-being of the people and the strength of the nation. And this means less self-interest and more public interest for the Government concerned.

8. There is a symbiotic relation between the people and their Government. They are interdependent. Governments must help the people to prosper, but the people in turn must help the Governments achieve the capacity to prosper the people and the country.

9. In the old days Governments confined themselves mainly to the maintenance of law and order. But today Governments must also ensure economic growth, social well-being of the people, and adequate defence for the nation. To do all these, Governments need money and the people must enrich themselves and be willing to finance Government functions. How much money the Government raises depends on the wealth of the people. Therefore if the Government helps the people to prosper it is actually helping itself.

10. In Malaysia the tax rates are not too high that the people, the business community in particular would want to avoid paying, but not too low that the Government would not be able to finance itself and the services it has to provide the people.

11. There are of course some people in Malaysia who demand that the Government reduce taxes to an unsustainable level while at the same time demand that the Government provide and upgrade all the services and infrastructures. This is absurd. Fortunately such people are not too many. The majority understand and are reasonable.

12. Because in some areas Government is not efficient or lack the financial capacity, the Malaysian Government resorted to privatisation. This approach has enabled Malaysia to have some of the best roads, electricity and water supply, port and airports in the region. Even though the Government has to subsidise some of the privatised facilities to make them viable, in the long run the Government and the nation has benefited.

13. A matter of great concern for the Malaysian Government is the need to reduce the economic disparities between the different races. We know that if this is allowed to fester, sooner or later there would be racial confrontations and violence which must affect the development and prosperity of the country.

14. The Government introduced a New Economic Policy with the specific objectives of eliminating poverty among all races and to do away with the identification of race with economic functions. The second objective is most important because its aim is to achieve equitable distribution of wealth between the different races. This is to be done without the need to take what belongs to the rich in order to give to the poor. The economic cake is to be stimulated so as to grow and the redistribution is to be made from the growth portion.

15. This is easier said than done of course. The target has not been achieved but sufficient progress have been made so that the potential for racial violence and confrontations has been much reduced. The New Economic Policy will continue until the disparities in the wealth distribution no longer create political problems.

16. Malaysia has a limited land area and agriculture cannot create the jobs or grow the economy to enrich the people. To grow we must industrialise. Not having the expertise, technology, capital and knowledge of the market, Malaysia decided to invite foreign investors. This was long before FDI or Foreign Direct Investments was recognised as a means to expedite the development of developing countries.

17. Malaysia concentrated on labour intensive industries in order to reduce unemployment. This strategy worked so well that today there is full employment in Malaysia.

18. In addition Malaysians have accumulated capital and know-how so that they are able to set up their own industries and grow the economy themselves. Malaysia continues to achieve high economic growth with high rates of savings and reserves capable of sustaining more than 7 months of retained imports. Total exports of Malaysia have breached the 100 billion dollar mark. Total trade is almost 200 billion dollars, twice the size of Malaysia's Gross Domestic Product.

19. With stability, growing wealth and ability to service any foreign debts without default, Malaysia is financially strong and independent to the point where it can reject pressures by international institutions.

20. With this strength it is able to conduct a very independent foreign policy. Initially it tended to stay close to the countries of the British Commonwealth.

21. Before independence there was a Communist attempt to take over the country by violence. This continued even after independence. For a short period the support of the colonial

power was needed to fight the insurrection. Three years after independence the insurrection was practically defeated.

22. But Malaysia was not a passive of the Commonwealth. It took a firm stand against South Africa which was then practicing apartheid. As a result of Malaysia's opposition to this oppressive regime, South Africa was forced to leave the Commonwealth. Malaysia then unilaterally imposed sanctions against South Africa at great cost to itself.

23. In the context of East / West confrontation, the country tended to align itself with the West initially. This was not an active alignment. There was no support for any Western military actions but Malaysia contributed towards United Nations peace-keeping forces in many places. Malaysia still maintains the view that member nations of the United Nations must fully support the United Nations.

24. Unfortunately in many instances certain powerful countries obstruct the work of the United Nations and as a result Malaysia does not tie itself rigidly to United Nations policies and actions anymore.

25. The second Prime Minister of Malaysia, Tun Razak decided to make Malaysia more neutral by establishing relations with Communist China. Henceforth Malaysia's foreign policies disregard the ideologies of countries. Diplomatic relations were established with all countries irrespective of ideology or system of Government. Malaysia wishes to be friendly with all Governments.

26. Accordingly its support of any international issue is based on rights and wrongs and not on its membership or affiliation with any group or its relation with any country. If a country is in the wrong Malaysia would not support the country even if it is of the East or the West or whether it is a great power or a weak nation.

27. With the passage of time Malaysia's neutrality has strengthened. It reserves the right to support what is right or criticise what is wrong. Sometimes we take unilateral action as when the United Nations ceased to support peace-keeping forces in Bosnia. We continued to maintain our forces there by ourselves.

28. Malaysia supported strongly the struggle of the Palestinian people. In the process it has been accused repeatedly of being anti Jew. We are against the action of the British in siding with the Israelis in expelling the Palestinians from their homeland and seizing Palestinian land for the state of Israel. Certainly we are against the building of Israeli settlements on occupied Palestinian land. We would be against such action even if they are committed by other people, by non-Jews. The action is unjust and we are against injustice.

29. If anyone tries to occupy Malaysian land we would protest and we would fight. I believe even the Americans and the British would fight. When the Argentines occupied the Falkland Islands, the British sent their navy, army and air force to take back these tiny and unimportant islands in the Atlantic. So why shouldn't the Palestinian fight to get back their land. They have every right to.

30. Initially they tried, with the help of other Arab countries to regain their land through conventional war. But ethnic European support for Israel foiled their attempts. Today no country wants to help the Palestinians to regain their land because it is bound to fail. The Palestinians are left to fight their war alone. In desperation they resort to terror attacks.

31. Malaysia is against terrorism. It hurts innocent people. But wars today must hurt innocent people. When rockets are fired or bombs dropped, no matter how precisely, innocent people would be killed. For these people the prospect of being bombed or rocket must be

terrifying, most constitute terror attacks. But their sufferings, wounding and death are dismissed as mere collateral casualties.

32. We know that 1500 American soldiers have died in the war in Iraq. Soldiers must expect to die in war. But how many Iraqi civilians have died in the war in Iraq is not even recorded or mentioned. It is as if their lives are worth nothing. We cannot accept this double standard.

33. Then there is the ill-treatment, torture and killing of Iraqi prisoners by the Americans. The people who kidnap workers of various races and killing them by beheading them must be condemned. That they are not members of regular forces of Government is no excuse. But when members of a Government's disciplined force commit atrocities, torturing and killing prisoners, they must be considered worse than the irregular forces of extremist groups. They are the real terrorists.

34. Malaysia is not on the side of the terrorists or even of the Palestinians because they are Muslims. We are simply against injustice and organised brutality by the disciplined forces of the so-called civilised Government. We are not anti-Jew or anti-Semitic. We are just against oppression and injustice. If the Jews commit acts of terror, if they steal land which does not belong to them, then they should be condemned. Their having suffered in Germany in 1939 – 45 does not exonerate them from the oppression they perpetrate on others. If anti-Semitism against the Jews is wrong than anti-Semitism against the Arabs who are also Semitic people is equally wrong. Today the Arabs are the people being oppressed. The world must condemn this new anti-Semitism as strongly as anti-Semitism involving the Jews.

35. Just as Malaysia opposed apartheid in South Africa, Malaysia is opposed to the oppression of the Palestinians, Arab and Muslim countries anywhere. And it would oppose any kind of oppressive perpetrated by anyone against any country. That is Malaysia's foreign policy.

36. When the Malaysian currency was attacked and devalued by the currency traders we equated this with an attempt at neo-colonialism. The method is different but the end result would be the same. We would lose our right to manage our economy if the instant poverty caused by the devaluation of our currency forced us to borrow from the IMF and the World Bank. We knew that the loans would be conditional upon our putting the management of our economy under IMF control. Besides we would be required to allow foreign banks and corporations free access into our country to buy up our banks and businesses, distressed and near-bankrupt by the devaluation of our currency. The foreign banks and corporations would be able to buy our businesses at fire-sale process. After that they will control the economy and then the politics of our country.

37. That is why we rejected the IMF formula and loan offers in order to overcome our economic and financial crisis. We want to remain fully independent.

38. Before the coming of the Europeans in 1511, the Malay states of the Peninsular had traded with the Arabs, the Indians and the Chinese. We had no problems with these traders.

39. But the European traders came in warships and demanded that we enter into trade treaties with them, allow them to put up fortified trading stations, and each country insisted on monopolies. Eventually they simply conquered us, making us their colonies so as to facilitate their trade.

40. Today they are proposing that the world be globalised and borderless. They want trade to be absolutely free, to be regulated and disciplined by the market, meaning their banks, corporations and traders.

41. With the past experience of trade with the Europeans, we would not be surprised if we end up by being their colonies. Had Malaysia accepted the IMF formula it would be indebted

forever. We see many countries so indebted that they are no longer able to assert their independence. We know all about the banana republics of Central America.

42. For all these reasons Malaysia had always been suspicious about globalisation.

43. We are living in very difficult times. The treat of colonisation is very real. Powerful countries openly declare that they want to change the Governments of the weak countries. If they cannot influence the thinking of these countries, then they would apply sanctions, they would rocket and bomb and finally they would invade.

45. Malaysia is not strong enough to resist military invasion. Yet it wants to be independent and to exercise its right to support what is right and condemn what is wrong. If Malaysia goes too far and is unable to balance its strength with its desire to do what is right, it may well become a casualty as several countries which had been injudicious in their foreign and domestic policies have become.

45. I pray and hope that Malaysia will always be able to assert its independence while playing a meaningful role in international affairs.