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SPEECH BY THE PRIME MINISTER  
THE HONOURABLE DATO SERI DR MAHATHIR BIN MOHAMAD  
AT THE HARVARD CLUB DINNER  
AT THE SHANGRI-LA HOTEL, KUALA LUMPUR  
ON WEDNESDAY, 28 JULY 1993  
AT 8.00 P.M.  
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Firstly I wish to thank the Harvard Club of Malaysia, the organiser of this gathering, for inviting me tonight to share with you some thoughts on the topic 'Towards a Fully Moral and Ethical Society in Malaysia'. In one of my earlier speeches on 'Malaysia: The Way Forward', I had identified nine key challenges which Malaysia must face and manage in order to be a fully developed country. Amongst these, the most challenging is to establish a fully moral and ethical society, in which the citizens are strongly imbued with religious, spiritual and high moral values. My talk today will revolve around the imperatives of a fully moral and ethical society.

2. In a developed society, the members should no longer receive passively his cultural heritage without carefully studying the various implications of that heritage. This is because one's total cultural heritage, which includes most importantly the ethical and moral value system or codes, will determine how we function and whether we fail or we succeed as a society. It is altogether possible that the values we inherit are the very reasons for our failure. If we do not study them properly and make corrections where necessary, we may be condemned to fail forever. Thus, for 70 years the Communist system of values brought disaster and poverty to the countries practising it.

3. It is not that Communist values are all bad. They profess to believe in the equality of all men. But in their attempt to achieve this, they killed all individual initiatives and efforts. Bereft of these, they succeeded only in achieving equal poverty and equal misery. However the leaders reserve the right to enjoy better living standards, including luxuries. And so they, the leaders, became oblivious to the disastrous results of their Communist ethics and system.

4. Clearly with the Communist, the ethics preached was not the same as what was practised. But then this is true not only of Communists and Communism. Every system of ethics, including religious ethics, suffer this dichotomy between what is preached and what is practised. As a result, the ethical values of a society fail to bring about the good results that they promise.

5. It is therefore important that we do not /just focus on ethical values, but more importantly we scrutinise the practice of these values. And scrutiny must be followed by corrective measures.

6. In business, generally, we all know what constitute good ethics. Trust in management, for instance, is one of them. This is because no one can do everything himself. Everyone from shareholders to the most junior executive and supervisors must trust others to carry out varying grades of responsibilities. All these responsibilities contribute to the total performance. Unless everyone can be trusted, management will fail. Systems have been devised to circumvent this need to trust. But there is just no such system. And so trust remains an essence of good management.

7. So also are honesty, sincerity, discipline, diligence, dedication and other values which are part of good ethics. If these values are practised, even the least promising enterprise will succeed, or at the very least will not suffer serious failures. And where these sterling values prevail corrective

measures can always be easily undertaken with every chance of success.

8. We all work best when we are overseen by others. It is when we think no one is looking or is likely to find out that we become tempted. A weak character will then commit crimes which otherwise he is not inclined to. One of the most important teachings of Islam and also of most religions is the presence of God everywhere. For the faithful there is nothing that he does that is free from Allah's scrutiny. This reduces his temptation. He may still do it of course. But he does it with fear of the final retribution. I believe that one of the causes of massive commercial crimes in some developed societies is the total breakdown of religious faith. There is a feeling that if you can get away with it, then do it. There is no such thing as God's retribution, only worldly retribution. And that, most managers think they can manage.

9. However, professing religious faith alone is generally not enough even for the pious. What we see of a person is often not what he is. And so we must propagate the practice of good ethics, not just because it is good for society but because it is good for the practitioner. Let us admit it -- we are all basically self-centred and selfish. 'What is in it for me' is the most frequent question we ask. Fortunately, what is good for society is often good for the individual. On the other hand, the selfish good of one person is seldom durable. But the good of the community is more permanent, even for the individual.

10. A dishonest misappropriation may be immediately beneficial (good) for the individual. But it will damage the good of the rest, be it the company, the society or the nation. But if the nation prospers, the individuals will generally prosper too. And if the prosperity is due to honest work by everyone largely for himself, then such a company or society or nation will be trusted in business of all kinds and will prosper. On the other hand the dishonesty of one person may affect the good name of the whole

community, so that every member will be branded and distrusted and so the whole community along with the culprit will suffer.

11. Clearly good ethics pays. It pays for the individual and it pays for the community. And it pays more permanently. Thus, if we admit that we are all selfish, that very selfishness will be better served by practising good ethics for the general good.

12. The importance of good ethics cannot be over estimated. The individual, the community and the nation need good ethics. Without it everyone, without exception, will suffer. Indeed the decline and fall of great empires are invariably due to ethical deterioration. And the problems that are being faced by many developed nations today are in part at least due to the decline of ethical and moral values in their societies.

13. Yet ethics is hardly ever taught as a regular subject whether in schools or universities. It is assumed that everyone knows what constitute good ethics and everyone will accept them unquestioningly. But this is not necessarily so. One community's set of good ethical values is not the same as another's. Yet we know that the ethical values of different societies affect their performance. Some societies succeed and some fail. If those successes and failures are examined, it will be found that they are very closely linked to the set of ethical values that they believe in or, more importantly, they practise.

14. But that is not all. The ethical values of all societies change with time. These changes usually take place unconsciously and are often the result of the changed environment resulting from the very practice of the original ethical values. Thus, a society or a whole nation may prosper as a result of the practice of certain ethical values. The prosperity then influences the ethical values of that society and causes them to change. If the changes involve the acceptance of a new set of values which adversely affects the performance of that society, then the prosperity recedes. Thus, a great nation or empire will fall as

a result of the changes in the ethical values of society.

15. Clearly ethical values are very complex and cannot be left to 'natural processes' for their propagation in society. Ethical values need to be thoroughly studied and deliberately propagated if a society wishes to prosper.

16. Malaysia wishes to prosper. It has a vision. It wants to be a fully developed country by 2020. To achieve this vision selected ethical values must be propagated. It must be propagated within the whole society. It must be propagated, and selectively propagated, among certain critical groups which are expected to play a major role in the development of the nation. The managers, the executives and the professionals together constitute one such group.

17. There is a tendency to focus on one simple quality or ethical value which will ensure the desired results. Unfortunately, one single quality cannot ensure good results, no matter how universally this quality is regarded by human society as a whole. There is just no such magic quality. Thus, hard work is usually regarded as a virtue. But if hard work is dedicated to doing the wrong thing, to criminality for example, good results can hardly be expected.

18. What is needed is a set of values made up usually of all the universally accepted virtues. And there are many of these. They include among others diligence, honesty, reasonable patience, discipline, determination, dedication, grit, concentration, attention to details, ability to work with others, a degree of humility, etc.

19. There are so many of these that it is impossible for anyone to have them all. Fortunately, it is possible for an individual or a whole nation to succeed reasonably well without having to have and to practise all the ethical virtues.

20. Since Malaysia wishes to prosper, ethics must be studied, must be taught and must be propagated. And nowhere must it be propagated more than among those most concerned with spearheading the country's development -- the executives, in the Government and in the private sector.

21. Success cannot be guaranteed but certainly the chances of failure can be reduced. There can be no doubt that the practice of good ethics can reduce the chances of failure even in the short term, and certainly in the long term. We know of nations where corruption is rife. We know of nations where nothing moves. We know of nations where nothing is predictable. And we know that none of these nations have done well. Of course there are nations with high morality which have also failed. But history has proven that by and large ethical and moral values have a positive contribution to make towards the success of peoples, nations and even empires. We cannot do ourselves any harm if we, you and I and the other decision-makers in this country, were to appreciate the role of ethics and morality, and to practise them in the course of our daily struggle for a better Malaysia.

22. I hope the issues I have raised will serve as food for thought for all of you present today. Thank you for your kind attention.

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