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COMMONWEALTH SOCIETY (RCS)

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TIME :

On behalf of the Government and people of Malaysia, I have great pleasure in extending a very warm welcome to all delegates to the International Meeting of the Royal Commonwealth Society here in Kuala Lumpur. I hope that you will have a pleasant stay and a fruitful meeting here.

2. I am indeed honoured to be invited to address this gathering and particularly so, as I understand, this is the first time that the Royal Commonwealth Society is holding its meeting in Asia.

3. The Commonwealth is a unique group of nations, for despite its cultural diversity, it is bound by a set of common perceptions about the principles of good governance, human rights, the rule of law and sustainable development. From a handful of countries at its inception, it has now grown into a voluntary association of 54 independent countries representing one-third of the world's population. The Commonwealth should continue to remain united in purpose in order to face up to the many challenges in the new millennium.

4. The Commonwealth is now no longer a grouping of the ex-colonies of the British Empire. It is more a grouping of like-minded countries. While this is good, we must make sure that there are not so many members that we get dragged down by our weight and become unable, not only to decide on a consensual basis but even to meet at the highest level.

5. Over the last ten years, the Commonwealth has become a more effective force for promoting democracy, respect for human rights and good governance. It has taken more practical initiatives for assisting the socio-economic development of its member states, particularly the developing countries.

6. To progress the Commonwealth must continue to review its role and adapt to a fast changing world. It must ensure that its members are adequately equipped to handle the challenges brought to its doorstep as, for example by globalisation. While globalisation has

opened opportunities for the creation of wealth and economic growth, it has also brought with it new risks and threats. Globalisation can bring benefits if its practices are governed by rules and regulations, which can ensure that the poor and developing countries will also share in the benefits. Without rules and internationally accepted laws, anarchy would prevail. Only the unprincipled will benefit from anarchy.

7. We are entering the age of information technology where globalisation and a borderless world cannot be avoided. Whether we like it or not, globalisation is here to stay and can only increase in its impact. It is true that the advent of communications technologies has shrunk the distance between nations, providing new opportunities for the transfer of knowledge and technology. But the main question is how many of us have the capacity to apply these new technologies? Whilst modern technology helps draw us closer together, for the have-nots, it can widen further the disparities between the rich and the poor. Already there is much talk of the digital divide, and this will amplify the inequities between us.

8. Thus, the greatest challenge facing us is to ensure that globalisation does not benefit only a few while marginalising or impoverishing a large number of developing countries. Many developing countries are constrained by the lack of capital, institutional capacities and physical infrastructure. They are therefore unable to seize fully the opportunities opened by globalisation. The developed countries have been more successful in integrating themselves into the global economy and reaping the benefits. In this respect, the more developed members of the Commonwealth should assist developing member countries to build their capacity to deal with the new global environment.

9. Malaysia believes that in the new millennium, relations among states should be based on a new paradigm predicated not only by equal sovereignty but also by the respect for the dignity and mutuality of interests and benefits of everyone. It is only on such a basis that we would be able to reap the full potential of globalisation.

10. The onslaught on Malaysia's currency is a case in point. There is not the slightest care on the part of the currency traders and manipulators and their backers for the social cost, poverty and the misery that they cause to the victims of their speculative attacks. They are interested only in their own financial gains. In a matter of weeks, years of hard work and toil to develop the country was destroyed.

11. The idea that the market will regulate itself and discipline Governments is ridiculous. The market is only

interested in profits for the players, usually the very rich investors in rich countries who put up the billions needed to manipulate the market. While they insist that Governments must be transparent and that nothing should be placed in the way of their access to markets, they themselves are secretive and little is known about their funds, their investors and their activities. They flit across the world at literally the speed of light amassing huge fortunes, leaving behind a trail of destroyed economies and misery for the people of developing countries.

12. The world's financial system and the unregulated and mysterious flow of capital may benefit the speculators but they do the world no good at all. They are destructive. They destroy more wealth than the profits that they make for themselves. It is not even a zero sum game. It is a totally negative game in which the winner destroys more than he gains. It is time that this vicious system is outlawed and the world's economy especially the economy of the poorer nations be freed of this worst manifestation of capitalist greed.

13. Even without these marauders the small countries of the world is not safe in a globalised world. I believe the Commonwealth can play an important role in helping its member states to mould the new borderless global world. The Commonwealth could work together to ensure that the developing countries become full participants in international economic discussions, in shaping and influencing the rules and laws of a globalised world. It could also work to promote policies that help to close the digital gaps between the poor and rich countries so that knowledge can truly work for enriching everyone, rich and poor.

14. The Royal Commonwealth Society and its various branches abroad should not only promote the spirit of the Commonwealth but also the contents of the Commonwealth. Together it should insist on playing a meaningful role in world affairs. I have faith that if we stay united, the Commonwealth will continue to be significant as a role model of North - South cooperation for mutual benefit.

15. I wish all delegates a fruitful and stimulating meeting.