

Keynote Address

by Tan Sri Razali Ismail,

Adviser to the Prime Minister of Malaysia

I should apologize for what I will talk about now because I don't think I will keep to the subject. I will talk about the environment and technology of course. But, we are all being buffeted by the changes around us and the theme of the overall gathering is about rising to the challenge of the new millennium. So, it becomes difficult to be very specific just talking about technology or the environment. I am more interested in talking about change and as there are already handpicked 24 would-be leaders for this millennium, maybe in our Q&A we can discuss about some aspects of the change and the impact they have on the environment or technology.

A mere 50 years ago, the world was a vast space within infinite resources. Today, we have shrunk the world manifold through technology and borderless communication. We now can communicate with other people from another side of the world in what they call nanoseconds. We have even made possible the impossible - cloning. This is a challenging era where science and technology are making breakthroughs that are changing the very way we live. We are witnessing, we are part of, the major shifts in the internal and external work environments including fundamentals in the surrounding social, political, cultural and economic order. Characterised by rapid technological advances, rise in competition with the globalisation of markets and the emergence of knowledge based economies, some of these changes are exciting, while others may appear intimidating if not downright threatening.

Whatever the perception, they are constant reminders of the speed and pervasiveness with which our world is changing. The question that requires our attention is how do we treat change? All the changes around us illustrate two basic truths:

1. Everything happens faster
2. Anything that can be done will be done. If not by you, then by someone else somewhere in the world.

Let there be no misunderstanding. These changes can lead to a less kind, less gentle and even a less predictable world. Personally, I worry about the loss of the human touch in such a scenario. I worry too, about the enhanced role of free market forces, as governments are being told to downsize. I worry about the marginalised poor people and their loss of safety

nets because strong governments are now being considered out of sync, and because we have more and more stakeholders, as we should have, in the context of governance.

Are you not worried about the recent discovery that 358 individuals are richer than 2.5 billion people in the world? Is this the kind of change that we want? Do we accept such a gross injustice as a fact of modern life, or does it matter, and should we care? Such a discovery makes me worry about our societies becoming de-humanised by the faceless and homogenising values of the global marketplace that make life too complex, too much of a struggle for survival for there to be any consideration for others.

Today the world has become more complex, more interdependent and more fragile than before. But I am afraid that the human potential to respond adequately to these challenges has not kept pace. Today the world is a confusing place, forces of globalisation and rapid communications knit the world together as a global village. But the same forces cause marginalisation of the poor and dispossession of the weak. What does this all mean to us, immersed in our respective professions - students, doctors, civil servants, entrepreneurs, would-be diplomats, political leaders? What does this mean to our respective countries? There are no easy answers to these questions. In looking for an answer, I am guided by the words of Robert Galvin of Motorola, who said, "The real test of quality in the large part of the next century is going to be the quality of leadership". If that is so, what are the requisite qualities and how will we recognise a leader if we were to trip over him or her in the dark somewhere? I'm sure that at some time or another, we have known or read about charismatic people, people with vision, values and courage that would inspire our loyalty. They have the ability to draw from us qualities that we didn't know we had. These are the kind of people we need today. *Leaders*, not merely managers. But oddly, such leaders are scarce. I hardly need to add that the leadership characteristics of vision, values and courage do not occur by chance. In our own countries, like in Malaysia for example, do we have a supportive system where we can draw from our own intrinsic values, our world vision, our own education, to be able to continuously bring out the right leader for the right location?

Please look around you, in ASEAN. Take your pick of leaders. I mean, barring one or two, even in the industrialised countries, they shouldn't have been leaders and most of them are quite mediocre. However, leaders will not be necessary without the fundamental fabric of our society. What about the people? People are the *sine qua non* of all organisations. People come characterised by all manner of sizes, shapes, colours, levels of intelligence and abilities, gender, religious beliefs, attitudes towards life and work and priorities. And these

are just a few of the dimensions along which people vary. All of us, especially would-be leaders, have to deal with them. Part of the job is to reconcile and resolve the conflict between disparate and at times desperate points of views. Yet despite their diversity, people are so believing. They believe in religion, some believe in communism as an alternative to religion, and they believe in their leaders, and what has been promised by their leaders. Over the years, in many countries, people have had bad deals by those who have led them.

Consider the African socialism of the 60's and 70's that promised everything but gave nothing to countries such as Tanzania. Recall the Kennedy clones of the 60's and 70's in Latin America, which had people believing in them, eventually leading them nowhere. And of course, people as a whole in developing countries of the world. They have had bad deals too. They have been promised development funds, they have been promised the opportunities to get out of their poverty, but that global assistance has not been made available even up till now, particularly now. But the situation has changed virtually everywhere. Today people are no more prepared to be cannon fodder or political fodder. The command and control system of managing people is over and all kinds of rights, human rights included, are being demanded. In Indonesia, some of these rights, if I may use Indonesia as an example, have been taken to excess and perhaps that country is undergoing serious instability. Yet the sovereignty that is reposed in people is vital. With that comes immense potential towards creativity and construction vital for each country in times of change.

It is clear that there is hopelessness about running everything from above through command and control. First, it emasculates the vibrancy of society. Secondly, it robs individuals from seizing their own initiatives and managing their own lives. Third, it creates a pseudo-society buttressed by the threat of force. In Asia, how does an Asian country evolve a form of leadership to deal with a burgeoning number of people? According to UN statistics, the world will have 9 billion people by 2050, and one-third of that will be Asians, most of them young. In that context, what form of rule will be deemed conducive in addressing the collective and sometimes conflicting demands of an impatient mass of young people in Asia? Any effort to resolve these previous efforts of command and control will have a very short shelf life, I think. Some countries in the Middle-east are already facing the problem. Consider the turbulence in Algeria, where 70% of the population is under the age of 35.

The point I am trying to make is that we need to reinvent ourselves and our institutions to ensure lifelong relevance. Darwin said, "It is not the strongest of the species that survive, not the most intelligent. It is the one that is most adaptable to change." Alvin Toffler said, "The

illiterate of the future are not those who cannot read or write, but those who cannot learn, unlearn and relearn.”

Ladies and gentlemen, to those of you who want to be leaders of the 21st century, let me also emphasize **human goodness**. We need to become passionate about what is best in us to create organisations that welcome our creativity, contribution and compassion. We need to emphasise inclusiveness, not exclusiveness. We need to talk about bridging gaps, not emphasizing differences. Political parties alone or trade unions are not enough. There must be other centres and there must be multi-channel flows of information for you to be able to make critical, informed choices. You can do this by using processes that bring us together, to talk to one another, to listen to other stories, reflect on what we say; where we speak truthfully, and where we refuse to act from petty self-interest. It is said you cannot hate someone whose story you know - and I believe that.

Further to that. We as individuals must begin to make demands on ourselves. This is particularly true in the developing countries. We make all kinds of demands on governments. Fair demands as well as unfair demands. But, we did not impose on ourselves enough demands so that we do things that make a difference in our everyday lives. Of course, I am referring to, particularly in this instance, the issue of environmental pollution. We can really make a big difference if we only would be responsible in dealing with whatever is in front of our nose, and really clean up public places. No dumping, no cigarettes, no smoking and all that. We try so hard to move from the Third World to the First World. In our mentality, it is possible to be First World, now, if we start doing all these things.

Now, what can I say about the environment? A lot of my years at the UN had to do with fighting for the environment. I don't want to be the same kind of international soldier, or soldier of the south talking about the environment in that fashion. But, as you all know, the environment has been the word of the millennium. All these years we have been talking about the environment. It all came together in 1992 in Brazil, in Rio de Janeiro, where we had kings, presidents, prime ministers and princesses, and all kinds of people there. But at that point in time, it was believed that there was supposed to have been a conjunction of interests, that we look at development and environment, and the state of this planet Earth in such a way that would bring about a new future in how we work, how we develop ourselves, and how we treat our planet.

A lot of agreements were put together in 1992. The word sustainable development became a word that everybody understood - sustainability. But when we had the review 5 years after Rio in 1997, the verdict was there has been precious little change, precious little difference. There were enormous difficulties of overcoming short-term and vested interests that would enable commitments to specific targets and to global programmes. In essence, words were not matched by deeds. The lessons learnt at that special review have balanced out our lofty expectations with the reality of an absence of a political will to tackle critical issues in the long term. International co-operations continue to be bedeviled by many constraints and the failure to honour commitments made for the welfare of the people and the welfare of Planet Earth. For the United Nations, it was a very telling moment. Therefore, standing where we are today now, in our role as citizens, countries, and as persons supposedly interconnected with the rest of humanity, it should be clear to us that the achievement of sustainable development requires nothing less than action that integrates economic, environmental and social components into decision making and programmes. And there is a surge of true global partnerships based on common but differentiated responsibilities.

It would appear now that in the light of international ability to live up to commitments made in Rio in 1992, people in respective countries have their responsibilities cut out for them. It is now time for us to change our mindset. *To think globally and act locally*. This attitude would direct us to safeguard and protect our own local environmental situations, eventually making sub-regional, regional and global impacts.

For example, the successful implementation of agenda 21 and protecting the environment at a local level are those that link environmental protection with the role of enabling local people of participating in the local processes. Local communities share global concerns related to water, air, natural resources, biological diversity, as much as they have concerns for cultural diversity and economics. Local communities have rights to be involved in a host of activities such as water and waste management, disaster investigation. Can this principle and role be accepted by governments, states and municipalities? For most countries, the environmental sustainability, social equity and a culture that allows for the fulfillment of human needs must replace the culture of materialism. Modern consumer society is rooted in an economic system that requires increasing consumption so that production and profits can keep rising. Advertising has moved almost completely away from product information to the hard-sell of one value to buy and consume more and more. To counter the consumer culture, people need to regard the reduction in consumption not as a sacrifice but as a must if we do not want to live amidst garbage that is a result of our consumption.

As the world population increases, the earth does not have enough place to accommodate the garbage that has come out of our inordinate consumption patterns. Countries around the world are looking for dumpsites as we consume and throw more. We need to reduce consumption as a substitute for intangible factors that enhance the quality of life such as harmonious relationships with the environment. We must begin to realise that every action has a reaction. Our earth is interconnected and holistic. As such, anything we do will have an effect on the environment.

Let me tell you a little story of what happened just after the war (WWII). In my part of Malaysia, East Malaysia, Sabah, the British, who had no idea of the native ecology then, had sprayed DDT in the long-houses in order to rid them of mosquitoes and other harmful insects. Yes, the DDT did its work and indeed not only were the mosquitoes affected, so were the grasshoppers, the cockroaches and many other insects. As a result, it also affected the house lizards and other small creatures. Then suddenly, there was a disappearance of domestic cats. Mice and rodents infected the long-houses. To make a long story short, in the end the British had to send cats by helicopters to the long-houses. You may think this is fabricated as I stand before you but that is not true. If you look at the journal, the Royal Malaya Asiatic Journal, you will find this story. This is true even today everywhere. The British Trust of Ornithology declared that the population of starlings has gone down from about 20 million to 10 million since 1972. The use of pesticides and the loss of pasturelands has eliminated insects which the starlings ate.

The British as colonial masters in Malaysia also introduced trees and shrubs from other parts of the world and there is a good and a bad about that. The good was that it helped to develop our land, Malaysia. The bad was that it changed the visual character of our urban and rural landscape with red flame, yellow flame and all kinds of other trees that was never indigenous to Malaysia. They designed the landscape only for man and for aesthetics. Yet, they forgot the living communities such as worms, insects, birds and the mammals of our landscape. These ornamental trees from our neighbouring countries did little to support living communities. Change in our landscape changes the biotic and ecological chain of the whole system. My concern here is that firstly, landscape should be of its own culture. It must have its own heritage and identity. Secondly, it must support not only the human being but also its bio-diversity that has lived much longer than human beings on that landscape. Thirdly, healthy landscape that supports bio-diversity is healthy for the human being, for the bio-diversity is a healthy barometer for the human being. If our landscape is adulterated or lost, the result is in a synthetic landscape. You have versions of that in Malaysia and everywhere

else around the world. This is the opposite of our natural landscape. You will find evidence of such landscapes everywhere. We may well lose our own uniqueness, not to mention problems to our wildlife, our natural surroundings and even our physical body. We must rethink our role in this world. We must be responsible not only to our own kind but to all living things. We can control the environment to a certain extent, technology notwithstanding. Destruction to the landscape is destruction to us. It is us - human beings - after all that we have to watch out for.

Ladies and gentlemen, it is difficult to talk about changes without touching a little on human rights. So, may I say that this second half of the last century has been about human rights and the human rights revolution. All states share the same priorities. The notion advanced by some countries in the West that the right to vote and to be free from torture will somehow miraculously lead to the fulfillment of the right to a roof over one's head, or food in one's stomach seems to me very questionable. This is not to say that dictatorships should be tolerated in any part of the globe. It is to say, however, that the intent of the drafters of the international declaration on human rights, even if they were mostly western people, should be taken seriously. That is, the two bundles of rights, civil-political and economic-social, should be recognised as completely interdependent; as the twin foundational idea, and both should be given the same priority.

In order to implement this equivalent priority, it will be necessary to take seriously certain rights that we in the world community have only given lip service in the various conventions and declarations. ***The right to peace, the right to development, and the right to a clean environment.*** When we talk about human rights, what human rights are we talking about when human beings cannot even fulfil the fundamental conditions fit for being human. There are a lot of people like that in the developing world. When one talks about the inherent dignity of the human family, that word inherent dignity is in the inherent preamble of the declaration. There can be no distinction about which geographical area, which culture. Equally applicable would be the human person's environmental rights. The right to live in areas free from hazardous toxic waste. Right of access to non-contaminated water. In the context of the changes being affected by globalisation.

I would like to make this point. It is possible to argue that the modernisation model as we go through it now, in the context of free markets and globalisation; the modernisation model predicated on free market capitalisation is a one-world model, the realisation of which will not enrich the world but which can make some people poorer. Insistence on the universality of

some human rights of a global community of values does not, in my mind, imply the universal validity of particular economic or political development model. And yet, this is precisely the tendency now. To equate hegemony with truth value. That is the crux of the problem. As the dominant powers of the industrialised and developed world manage to break down the defences of local economies and weaker governments of the developing world, they are able to impose their own standards of government and economic practice. The assumption that is then often made is that this often heralds the victory of the universal rights and democracy. This is far from true. In the case of the poor, whether in industrialised countries or in developing countries, a one-world model in the context of globalisation further deepens their terrible state. Human rights has not guaranteed empowerment or access to much needed development and technology. This has always been the collective complaint of many developing countries. The poor will always continue to be even more hurt in the absence of such empowerment and in the absence of access to greater technological impetus.

In the UN before, there was this big debate about public domain technology and private technology. The debate has never come to fruition because the private technology continues to hold sway and the ability to get access to technology is not easy at all. But nevertheless, people like me have modified our views. While before we were very cautious about the impact of technology, understanding that not all technologies are good. We have now come to terms that particularly for the poor countries, we need technology to be able to move because technology in these instances will overcome problems of low productivity or low value added. It is these things, or the inability to have that kind of technology that will hurt the poorer sector most.

Not all technologies are good and welcome. As a businessman, I continue to shy away from making money from extractive industries such as logging and mining. If you go on the roads towards Ipoh, you move from KL. After an hour you come to beautiful forests. But as you near Ipoh, you can see the destruction of the limestone hills, the quarrying for marble. Why don't we just buy Italian marble? They are so beautiful, these mountains that we have, but they are being destroyed because the Malaysians "must have", in the context of their culture of materialism, marble. So it's a very ugly area as you go towards Ipoh.

There are ways of overcoming problems of certain types of technology. We do not have to get all technologies from the West or industrialised countries. In some instances there have been studies made at the UN, that indigenous local technologies are far better in application and with far less risks to the environment. But at the same time, I do not want to be defeatist

by saying that problems of technology should prevent us from embracing certain types of technology. Some experiences have been gained for example in the case of China, where the Chinese have experimented with certain types of technology but have in turn been able to modify and do things for the better. Technology for a fact can provide a cost effective solution to pollution when the same factories are linked to a cleaner technology. The technology of imperative to lead our people to a new life that cannot be debated anymore. While at one time people like me were purists and against various type of technology, we are now looking forward to modification of these technologies that would help us in relation to the environment.

I am a chairman of a company called Kualiti Alam. My company deals with the disposal of toxic waste. When I became chairman of the company 2 years ago, my friends, my NGO friends, including Gurmit Singh who is not here, very stridently called me out and said I was a traitor to the cause. But the point is - having had to take the decision of how to dispose toxic waste, and as you go down the fast track towards industrialisation, there is no running away from that - you have to find the right technology to deal with toxic waste, or garbage or whatever. This is where responsibilities in the private sector is very important. The private sector must be principled enough to help phase the right technology and *not just think in terms of huge profits*. The linkages between technologies and economic strengths are not a matter of debate. Every country must go on the road towards bringing the right technology to its people, its country. Sometimes, I find that this connection has not been recognised early enough in certain developing countries, even in Malaysia. I suppose that has go do with how expensive it is in terms of R & D, in terms of putting in a lot of money. If you look at our economic and financial strength, a very small percentage really goes into R & D to phase in good technology in the developing world.

We have a country target of 2020. But if you analyse now, how much is indigenous technology? You will be surprised that only 3% percent or maybe 4% is technology belonging to Malaysia. A lot of it is technology from other countries. But, as a comparison, if you look at Japan, at least over 70% technologies in Japan are Japanese technologies. This is where we have got to go. It is not possible for us to have just turnkey projects designed by foreigners to come in and put everything in place in Singapore, Malaysia or Thailand. That is not good enough. Its going to be very difficult to extract technology from the private sector but we must somehow be able to do that. Studies indicate that the vision for many nations - particularly for developing countries - is only possible through having a technology vision.

I think I have gone on long enough. But in conclusion, in meeting the challenges for the new millennium, for every country there are 4 dimensions – people, economy, strategic strengths and the ability to sustain and improve all of the above over a long period of time. If you look at the track record of countries now, there are some countries that take one step forward and go one step backward. I do not mean to be derisive but if you look at Sri Lanka, which attained its independence the same time as Malaysia, its has always been because of the political instability – one step forward and one step backward. So the pendulum swings like this all the time.

If you look at the definition of failed states in Africa, in Latin America or even in Asia, it is all about the inability to move over a period of time in a sustained fashion. We do it in a spectacular fashion for 2 or 3 years but after that we fall back. Even in Malaysia, for over 20 years, we have been able to have an economic growth of 6.9% for nearly thirty years. Then came 1997/1998, we had a meltdown, we went down, all of Asia had many problems. We are beginning to come back, to recover but we have to have the ability to continue to be above water over a sustained period. It is not going to be easy and in the context of globalisation, it will be very, very difficult because now you are dealing with factors which are beyond your control. You are dealing with factors like capital flights. You may not own patents on the technology, so patents may move. Motorola, for example, may move from Malaysia to Columbia. So, there are all these factors that have to be brought into account if a country is able to sustain its development.

So, the verdict as far as I am concerned, is still not out about the positive and negative factors of globalisation, even if we have to deal with it. There is a book that talks about the false dawn of globalisation and I recommend that as reading.

In Asia, we completely embrace the market forces of globalisation. There will still be fierce competition between those that embrace totally globalisation and those, as in Malaysia, that still want to delineate territorial imperatives of certain areas of needs that they want to protect. I do not know how we will avoid this. Look at the automobile industry of Malaysia. So far, we have been successful but now we to have to compete with the big players in the context of globalisation, and we will not be able to survive on our own. So what do we do? But if you look at the example of Taiwan - whatever it produces, it is able to sell most of the time, all the time. Maybe it is not important for us to talk about local brands, even if we don't have the Proton Saga, as long as we can homogenise the parts to every manufacturer of cars all over the world, then we will be able to sell. So we might lose the brand name, and your

sense of pride will be lost but you are able to sustain yourself through the supply chain. Maybe that is the way to go.

But, for me, I end by still having a question mark about the benefits of globalisation. Maybe I am a romantic but I worry about free market forces and the responsibility of the private sector. I am not very impressed by the interconnections that have been established as a result of computerization and digitalization. I know that young people stay up at night conversing on the Net, but most of the time these conversations are surreal, and it is not as if there is real interconnectedness.

I wish you well in your discussions and I hope I have been able to make a few points about the discussions that you are having afterwards. I thank you for the opportunity.

-ends-

Blurbs:

“leaders, not merely managers”

“to those of you who want to be leaders of the 21st century, let me also emphasize human goodness”

“indigenous local technologies are far better in application and with far less risks to the environment”

“the private sector must be principled enough to help phase the right technology and not just think in terms of huge profits”