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*The Growing Importance of the Non-Arab World within the OIC:
Case Study of Malaysia and Indonesia*

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First of all, I would like to thank the organizers, the Institute of Strategic Studies (ISS) and the Hanns Seidel Foundation for the invitation and for the friendly welcome they have given us in this lovely city, and for the warmth and generosity of their hospitality. Our gratitude also goes for the skill and efficiency they have displayed in the organization of this important Conference.

I am pleased to have been with you over the last few days. Indeed it is a distinct pleasure for me to begin my first visit to the sub-Continent – a shame indeed but never too late - to this beautiful city, Islamabad.

This also happens to be my new incarnation as a Distinguish Fellow of ISIS Malaysia. I bring to you greetings from Dato’ Seri Jawhar Hassan, Chairman and CEO of ISIS Malaysia. He wanted to be here himself but prior commitments and new responsibilities prevented him from attending this important conference. On my part, I can think of no better place to begin the new journey of mine than here in Pakistan.

The topic assigned to me is quite a difficult one as little has been written on the subject. So, unlike other presentations, mine is not a scholarly work. It is down-to-earth, so to speak, giving an expose of what Malaysia is; what Malaysia and Indonesia are today in the context of the Muslim world and what both countries can or cannot possibly do in strengthening Islamic solidarity and co-operation.

It is never easy being the last player at bat. I have listened to earlier presenters. We are in today’s final inning. Professor Simon Teh and Major General Muniruzzaman

have cleared their bases with their lucid presentations and as the last man in the box, I can either hit the ball well, or strike out.

To date, the Organization of Islamic Conference (OIC) has done little for the Ummah. The OIC, as a loose inter-governmental body, has not been functioning as it was originally intended. Its membership has global reach – and some weight – but used very little of it to make a significant impact on the world, let alone on the well-being to its peoples. One of its principal goals to realize a Palestinian State with East Jerusalem as its capital remains a struggle. The OIC has not been effective in other areas as well because soon after its inception, the organization was sort of hijacked - for a lack of a better word - by a few countries. Various attempts to revitalize the OIC since have failed.

Many may have forgotten that it was Malaysia, with the encouragement of the King Faisal of Saudi Arabia that literally created the OIC. It was an entirely Malaysian team, led by our first Prime Minister Tunku Abdul Rahman. The Tunku, its first Secretary-General, helped to write the Charter of the OIC and established its organizational structure. This being not enough, it was that same Malaysian team which later had to explain and with great difficulty secure the support of Muslim countries for the new organization.

Even the late Saudi king must have realized that OIC could not have been driven by the Arabs at the time. His untimely tragic demise denied the OIC of his leadership and geo-strategic vision and wisdom. And since then the Islamic world has not had the good fortune of inspiring leaders like King Faisal and the Tunku.

In the last decade, Malaysia again tried to revitalize the OIC, but that seemed not to be the priority for its membership. I believe that a conjuncture of circumstances does not exist today or in the near future for the OIC to make any difference to, or impact on, the state of the Ummah. So, what influence can the growing importance of the non-Arab world, especially Malaysia and Indonesia, have within the OIC? The non-Arab world would only matter if they work together and succeed or work separately and fail in bringing about positive changes to the Ummah and the world at large.

The OIC is essentially a forum, one that acts in a similar fashion like the United Nations General Assembly where national interests and positions are stated and reiterated. As a secular body, it seeks to accommodate a variety of interests and a membership made up of a motley of ideologies and systems of governments while its broad remit to foster Islamic solidarity and co-operation remains its central plank. But some 40 years on, little can be said in terms of its concrete achievements. It could have done more.

As for Malaysia, we do not view “the growing importance of the non-Arab world within the OIC” in the manner the title given to me seems to suggest. What can they really do to strengthen the OIC? Indeed, no amount of tinkering with the Charter or the organizational structure, in the present circumstances, is going to materially alter the effectiveness of the OIC particularly when there are huge internal problems in and suspicion among member states that first need to be addressed.

Perhaps, it is best to leave matters as they are and await the transfer of the seat of the OIC to Jerusalem – as envisaged in the Charter – before a root and branch reform is undertaken to revitalize and substantiate the organization in the interest of solidarity amongst its membership and in terms of their contribution to the wider world. It would require more than the efforts of Malaysia and Indonesia to undertake such a serious reappraisal. The OIC needs more than a little reality check by its entire membership.

What Malaysia – and perhaps Indonesia – can agree is that the present status quo will not work. The only influence that the non-Arab world, especially Malaysia and Indonesia can bring to bear is to encourage the family of the OIC to understand each other better, to appreciate each other more and do more together. Both countries are able to encourage this because we are today relatively successful free trading and stable democracies within the OIC.

But given the growing importance of non-Arab OIC members in the Muslim world and beyond – as opposed to within the OIC – I have a personal view. One way of

working together to inject new impulse and impetus “within the OIC”, in the meantime, is for the non-Arab Muslim countries to meet among themselves in between the tri-annual OIC Summit meetings just as the Arab League does periodically.

There is, indeed, a need for a more “flexible OIC”, so to speak, to move the Ummah forward. Indeed, no country or group of countries should restrain the rest from moving forward if a few or a group of countries can act as a sort of vanguard. This flexibility is evident within the EU and even in ASEAN. Perhaps, here is the opportunity for Malaysia and Indonesia to take the initiative.

So, what does this mean for the OIC, as it is presently constituted? It means that we, the entire membership, have to again start with an accurate sense of our own interests, capacities and challenges – but above all our interests – as we look at the world – a world that has changed and is fast changing. This is the context within which the OIC and its members must operate from now on. Indeed, I see no contradiction between individual members doing well within the OIC and doing well vis-à-vis in the world at large.

While noting the lack of substantive progress, it would be remiss on my part not to acknowledge that since its inception, the OIC has helped to bring about greater awareness of our common destiny and, as a result, there has been networking among businessmen between Muslim countries. Member States have also worked together in a number of conflict situations including in Bosnia- Herzegovina and in the Southern Philippines.

Summit and official meetings between governments will not simply solve the Ummah’s problems. We must learn more about each other through personal encounters, study and seeing for ourselves how the others live and work. For our relationship to mature, we must bring wider circles of decision makers, opinion formers and experts in touch with each other. No less important is the role that academics, students, cultural groups and the media could also play in strengthening understanding, solidarity and cooperation.

What the OIC needs today, given the troubled world we all live in, is a more co-operative relationship marked by:

- a greater awareness of each other's intentions;
- a greater recognition of each other's interests; and
- a higher degree of mutual respect and trust.

There are many things that Malaysia and Indonesia can share in terms of their experiences in nation building as well as in terms of foreign and domestic policy orientation. This is where the growing importance of the non-Arab OIC is relevant. After all, successful nations are generally listened to and, in that sense, there are an increasing number of non-Arab countries within the OIC that wield influence both within and outside the world of the OIC.

I say this because Malaysia and Indonesia have, along with the other members of the sub-regional, the Association of Southeast Asian Nations (ASEAN), been able to develop ASEAN as a relatively dynamic and cohesive organization for the common good of its members. This was accomplished through frequent dialogues and exchanges to promote confidence building and mutual trust in the context of the larger East Asian region. Similarly, by meeting on a regular basis, the non-Arab OIC members can contribute to the advancement of the Ummah as a whole.

Malaysia and Indonesia are perhaps known for our resources (minerals and commodities) and our geography – Malaysia being made up of two halves (the Peninsular and the States of Borneo) and Indonesia consisting of thousands of islands. But, there is more to our two countries than our resources and geography.

Before I delve into Malaysia and Indonesia, based on demography alone – the sheer weight of numbers – the importance of the non-Arab world within the OIC is self-evident. Three-quarters of the 1.2 billion Muslims live in the non-Arab world. And many more millions of Muslims in the US, Europe, India, China to Southeast Asia. Even in the time of the so-called 'Golden Age of Islam', the non-Arab Central Asia contributed much in terms of arts, literature, science, culture and architecture. The time has come

for the non-Arab world to reassume its position at the heart of the OIC project which is to forge greater Islamic solidarity and cooperation.

And Malaysia and Indonesia – Turkey and Iran - have been on the ascendancy in the last half-century and especially over the last 3 decades. They have been on the rise in terms of their role in the world economy (trade and investment flows) and in global geo-politics. Turkey and Iran, for example, have always been important players in West Asia and in relation to Europe. And Turkey, as a NATO member, is also an important partner in terms of trans-Atlantic relations.

In Southeast Asia, Indonesia, needless to say, is the most populous Muslim country. It is today a functioning democracy, like Turkey. These two countries, along with Malaysia, have always maintained their unique cultural identity and at the same time been part of the world at large. They are all doing reasonably well today.

Malaysia and Indonesia in particular decided early on that it is much better to use the opportunities and advantages that our geopolitical situation affords us. Working, initially with and through ASEAN and later with Japan and, more recently, with China is better than being mired in interstate rivalries. This strategic directional shift has been paying handsome dividends. Good relations including access to markets in the US, the EU and East Asia help create jobs, prosperity and security at home.

Take the case of my country. Malaysia since its Independence in 1957 recognized that open markets and democratic path go together. Our leaders realize that we cannot long enjoy the benefits of one without tasting the fruits of the other. Indeed, we have always held the view and believe that so long as we are held back by the economy and wrong internal politics or system of governance, we would not be effective as we should be in our international and domestic activities. In other words, Malaysia has always held the view that stronger democracies and stronger economies go hand in hand. And recognition of this linkage seems to be gaining currency – slowly but surely – in many parts of the non-Arab world of the OIC.

Let me at the outset point out that it is not my intention to gloat about Malaysia or its achievements. Allow me to stress that for our imperfections – sometimes clumsy as well - Malaysia has done reasonably well. This is because we have in the last half-century remained bent on meeting the challenges largely on our own and without undue dependence on major powers.

As a result, we are today a country of 27 million fortunate people, spared of poverty, disease and internal conflicts that ravage many countries. A great many other countries including a few developed and many developing ones, with lesser problems have done much worse. At the same time, I concede Malaysia has long way to go to be considered a “model” for the Muslim or developing world.

From the first blush of post-colonialism, Malaysia did two things: first, we, by and large, preserved democratic and other institutions of governance as well as stuck to the spirit and letter of our Constitution, particularly in regard to pluralism, rights of minorities, freedom of religion and prohibition of hate propaganda. Second, we concentrated on national socio-economic development, in particular rural and infrastructure development (roads, schools, health clinics and the like). We invested massively in education because the lack of it will thwart development, not to mention feed extremists as the population would be vulnerable.

Domestic policies were founded, as we went along, not on ideology of any stripe, but one based on pragmatism and openness. New institutions were created which corresponded to the needs of our people. Unlike some other countries, we do not have families controlling the politics or the economy of the country. In short, we did not nurture or perpetuate a system of elitist rule. Most of our leaders, civil servants and corporate figures hailed from humble backgrounds. This trend persists to this day.

And in terms of political systems, Malaysia rejected winners take all or victor-vanquish formula in term of national governance. We believe in power sharing and sharing of decision-making. We have always had a coalition government – multi-party and multi-ethnic liberal reform parties – even though there is no legislative need for this. And, something unique to Malaysia is that coalitions are formed before an election and

not a political marriage of convenience after an election. In a nutshell, by power sharing and coalition building, successive governments have striven to transcend communal identities and appeal to all Malaysians.

With regard to foreign policy, Malaysia's first principles towards the world was and remains the promotion of strict independence, regional and international co-operation and, above all, stability. Non-alignment and Islamic solidarity remains important guiding principles, and Malaysia has remained a true non-aligned and Islamic moderate. In other words, we immunized, for a lack of a better word, our country from, rather than get involved in, the then East-West confrontation. We resisted pressure to join SEATO and, to this day, any other military alliance or seek shelter behind any big powers. Our approach is to treat countries on their own merits.

We also held firm to the view and belief that forms of government or economic systems are not matters to be imposed from outside. Our leaders took the stance that the relative success of our people will – eventually at least – of itself be the most convincing argument to its people and the world. For example, in the few years of Independence, our first Prime Minister, Tunku Abdul Rahman, told the Americans to pull down their billboard that said, "Aid from the USA". Since then we have refused to accept outside assistance. Our motto since then has been "Trade, not Aid" – and this has paid off handsomely.

These principles set Malaysia apart from many Muslim and other developing countries. However, these principles did not mean that Malaysia was not able to work with other countries. We may not endorse all the foreign policy imperatives of big powers, but we found common cause in the overriding need to co-operate bilaterally, regionally and internationally. We recognize that each of our partners has their own economic status and potential. We, therefore, decided to deal with them individually.

In 1957, we began as exporters of rubber sheets and tin ingots. Over 49 years, our economy and our links with the world have seen dramatic transformation. Today, we are the 18th largest exporter and importer in the world. 200 % of our GDP is derived from exports.

A nation is more than its GDP. We are arguably one of the most successful Muslim countries in terms of democratic development including multi-party politics and our observance of human rights standards. Except for The Communist Party of Malaya, no political group has been outlawed. All our governments have been civilian ones and have been the result of free and fair democratic elections. Every transition of government has been smooth and orderly.

There are two important characteristics about Malaysia as a Muslim country that need to be highlighted. First, we do not regard ourselves as fundamentally different from the Muslim or the non-Muslim world and peoples. Perhaps, this may have something to do with our links with, and openness to, the outside world. Relations with immediate neighbors and countries far beyond have been a dominant part of our history. They include China, countries of the sub-Continent, the Arab world, Europe and, since WWII, with North America as well. These are historical assets that we have been able to leverage on.

The second characteristic is that no other Muslim country has had a longer and deeper tradition of liberty, parliamentary democracy and the rule of law than Malaysia. Furthermore, we have always been outward looking, independent spirited and entrepreneurial.

In fact, what sets out Malaysia today from other Muslim countries is that we have become increasingly democratic and prosperous. We have created a much more equitable society by way of eradicating poverty through land and other reforms and systematic distribution of wealth. Indeed, our development strategy has and remains one of “Growth with Equity”.

The eradication of poverty is pursued regardless of race. As a result, Malaysia has reduced poverty to 5% today from 50% in the 1960s. In terms of restructuring society to bring about equitable distribution of wealth and a more balanced participation of all communities in the economy, there is a significantly large middle class today that cuts across racial lines. We believe in an ‘expanding economic cake’ where everyone

including foreign investors has a place in the Malaysian sun. In short, the thrust of our policy is not to make the strong weak but to make the weak strong.

Overall, Malaysia has done relatively well. Today, real growth rates average 6% per annum since Independence; inflation is low; foreign reserves are high at 7 months retained imports in 2005; balance of payments and the Malaysian Ringgit are strong and steady. On the negative side, the environment is a cause of concern with polluted rivers, forest degradation and haze. Much more can also been done in terms of improving the quality of life.

Some in the West are either angered or mesmerized by the so-called Islamic fundamentalism in various parts of the world. Malaysians hold a different view. In our country, we have been infusing Islamic values into our educational and administrative system. The values we seek to infuse into our society are Islamic values of honesty, anti-corruption, trustworthiness, efficiency, moderation, thrift, respect for science and technology and other positive values. What we reject and reject totally is extremism in all forms.

Indonesia too has been able to make rapid progress over the last few years. Democracy has been restored and the current administration is committed to restoring the country's economic vibrancy. With the return of political stability, Indonesia is now poised to play a very significant role in sub-regional and regional developments that could have positive impacts on the Muslim world.

The country, along with Malaysia, is part of an emerging Asian Triad with China and the sub-Continent (Pakistan, Bangladesh and India). This Triad brings together the 500 million peoples in ASEAN and those of China and the sub-Continent as a major economic pole with young, literate, and increasingly affluent middle class. The Muslim population within the Triad is also sizeable.

Both Malaysia and Indonesia given their current stage of development are ready to play a major role in uplifting the socio-economic status of the peoples including

Muslim minorities within the triad. The triad will receive the added bonus of bringing together cultures and civilizations.

Malaysia and Indonesia have increasingly become competitive modern economies as well as increasingly distinctive Muslim societies that are tolerant, diverse and confident. Added to this, with the challenge of two powerful neighbors – China and India at our doorsteps - we have no choice than to be innovative as well.

As a result, individually and together, Malaysia and Indonesia count for something today. And the path that our countries have chosen is something worth heeding by other developing countries. Malaysia and Indonesia know who we are and what we want to be as the world moves on. For one, we do not want to be trapped in the past while others make the future. We do not want to be held hostage by any ideology or theology in a cocoon of claustrophobic self-regard.

This brings me to the question of a model and, second, the Malaysian approach.

We must avoid the easy error of declaring that any country has a model to replicate or even mimic. Every society has developed the way they have for particular reasons, which lie in history, in tradition, and in culture. Our democracies were not delivered to us like prefabricated housing. They were homegrown. And because they were homegrown, democracy in Malaysia grew firm roots and remains an on-going and evolving process.

Malaysia's good ethnic relations, religious tolerance and sound economic and political management have not been achieved as a result of accident. Rather, they have been accomplished through toil, tears, sweat, and much else besides. Simply put, it is a result of the willingness to accommodate, to give and to take. Malaysians are also fortunate to have had leaders who have, without exception, been development-oriented and displayed realism and pragmatism in terms of the country's foreign policy.

As a result, in the last half century, Malaysia has been able to create a society and an economy that ranks high by every statistical measure of development while also

promoting regional cooperation (ASEAN, ASEAN Regional Forum, ASEAN+3, the East Asian Summit process) and global cooperation through the UN, NAM and the OIC.

This explains why Malaysia has been able to be more successful than other developing countries, Muslim or otherwise, in dealing with a wide range of issues, including modernization and moderation in religion, relations with the West and on human rights including women's rights. Islam Hadhari (Civilisation Islam) espoused by our current Prime Minister and accepted by all communities in the country is all about contemporary-minded interpretation of Islam. It is all about keeping faith with the fundamentals of the religion but always looking forward instead of backwards to previous centuries.

The real importance of the non-Arab countries like Malaysia and Indonesia lies in the fact that we are prepared to share experiences in nation building with the entire OIC membership. These experiences and approaches can be suitably adapted. We can work together to shape a better world for the Ummah and contribute to world peace and stability. And it is heartening to note that today, more than ever before, there is an increasing awareness among Muslim and other developing countries that strong economy and sound domestic politics builds respect, and allow initiatives. After all, only successful nations are listened to.

I have repeatedly mentioned the subject of getting the internal politics and economics right – that free enterprise and democratic development are critical. I say this for the simple reason that until the members states become a community of free-trading democracies, the OIC and its membership will continue to punch below their weight – and, worst till, remain dependent on the West. The non-Arab world within the OIC can do much better.

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