million loan pact.\textsuperscript{33} Malaysia, under Tun Hussein, had been commended for the propagation of Islam, and the development of Islamic world. PERKIM, still under the patronage of the ex-Prime Minister, Tunku Abdul Rahman, was the most successful beneficiary of this form of International funding with a gift of M$12 million from Libya. In 1978, Kuwait pledged M$15 million to the Perak State Religious Department, and Saudi Arabia pledged M$3.5 million for a proposed religious school.\textsuperscript{34}

Reviewing Malaysia’s political policy under Tun Hussein’s administration, one would realize that his government’s commitment to the cause of Islam, locally and internationally, was inevitable and urgent. The growth of global Islamic resurgence in the second half of the 1970’s, whose impact was vividly noticed in Malaysia, posed a serious challenge to Tun Hussein’s government.\textsuperscript{35}

The rise of transnational da’wah activity, as a consequence of the global Islamic resurgence, spearheaded by three most important da’wah organizations: ABIM, Jama’at Tabligh and Dar al-Arqam, had further challenged the power of the government.\textsuperscript{36} The strength and growth of such non-

government organizations continued to challenge the domestic and external policies of the Malaysian government throughout the 1970’s. Despite a renewed initiative to give attention to Malaysia’s relations with Islamic nations in the Middle East and Africa, it was clear that the government had yet to work out an appropriate response to the impact of International Islamic revivalism on Malay-Muslim society.\textsuperscript{37}

A curtailment of this movement was at any rate expected to be injurious to the image of the government. Thus the government felt that closer active commitment to the Islamic cause, like the Palestinian problem, would be somewhat imperative and urgent to secure legitimacy amidst the challenge of the worldwide revival of Islam in the 1970’s. The Malaysian government under Tun Hussein consistently and firmly believed that any solution to the problem of the Middle East had to take into account the rights of the concerned Arab states to regain their lost territories. It further insisted that no solutions in the Middle East could be achieved without full consideration to the legitimate aspirations of the Palestinian people, and their inalienable rights to return to their homes and properties, and to achieve self-determination, national independence and sovereignty.\textsuperscript{38}

As already mentioned, Tun Hussein’s policies were somewhat a continuation of Tun Razak’s pragmatic initiatives, especially his pro-Arab policy. Realizing that foreign trade and investment were of greater importance for Malaysia, Tun Hussein consolidated and intensified

\textsuperscript{33} Shanti Nair, op. cit., p.65
\textsuperscript{34} \textit{New Straits Times} 17 October 1978 and 16 November 1978. Also \textit{Islamic Herald} vol.4, no.5 & 6, 1979
\textsuperscript{37} Shanti Nair, op.cit., p.72
\textsuperscript{38} Ibid.,p.20