

economic spheres. Association with the Muslim world enabled Malaysia to promote greater cooperation in the fields of culture, education, science and technology. For instance, Tun Abdul Razak signed a treaty in 1975 with the Gulf States to exchange scientists, professors, students, journalists and athletes. In the same year, he concluded an agreement on economic, technical and cultural cooperation with Oman and the United Arab Emirates (UAE).²⁸ The next administration under the leadership of Tun Hussein Onn continued this policy by signing in 1977 an economic, scientific and technical agreement with Libya and the Arab Republic of Egypt.²⁹ Besides the principles of non-alignment and regionalism, Tun Hussein also adopted the concept of Islamic solidarity. Thus he upgraded relations with the Muslim countries, particularly the Arab states, and enhanced participation in the International Islamic Organizations, especially the OIC. At the inaugural meeting of the Regional Islamic Organization of Southeast Asia and the Pacific (RISEAP) on November 10, 1980, Tun Hussein stressed his government's commitment to Islam and the Islamic world. In his words:

Although the Malaysian society is multi-religious, Islam has been made the official religion of the country. The Federal and State Constitution guarantees the freedom of worship. Our national ideology, the Rukun Negara, provides for the belief in God. Malaysia has always supported the cause of Islam. It takes an active part in the Islamic Conference and the Islamic Development Bank. It

²⁸ *Utusan Malaysia*, 23 January 1975 and 25 January 1975

²⁹ *Foreign Affairs Malaysia*, March 1977, pp.6-13

is also active in the propagation of Islamic faith. We believe that material development alone cannot ensure the [health of a] nation; we also attach great importance to spiritual development.³⁰

Admitting that material benefits were one of the priceless rewards of brotherly ties with the Islamic world, Tun Hussein continued Tun Razak's pragmatic strategy of using Islam as a binding force, which was instrumental for Malaysian development.³¹ Identified as a growing source of loans and investment capital for Malaysia, the 'oil powers' were upgraded in terms of relations to underscore the Prime Minister's belief that Islam was indeed capable of bringing about prosperity and progress. Such ties were actively sought, and provided substantial resources for the Third Malaysian Plan, with wide publicity for loans and agreements signed with countries like Libya, Saudi Arabia and Iraq.³²

Tun Hussein's first visit outside ASEAN, was to Saudi Arabia. In 1977, Malaysia obtained M\$193 million from the Saudi Fund for Development, and concluded several important trade, technological and scientific agreements with Iraq. By 1978, total Arab loans to Malaysia stood at M\$329 million. Under the Third Malaysian Plan, Libya provided M\$25 million to fund development projects while Saudi Arabia gave a M\$200

³⁰ _____, Koleksi Ucapan Tun Hussein Onn 1980 (Kuala Lumpur: National Archives of Malaysia and Prime Minister's Department) p. 199

³¹ Shanti Nair, op.cit., p.65

³² For details see, *Foreign Affairs Malaysia*, March 1977