

promote greater non-governmental cooperation in Islamic matters among the various regional Islamic organizations, and in June 1982, Kuala Lumpur was chosen to be the venue of the first General Assembly of RISEAP. At this conference, Dr. Mahathir reiterated Malaysia's firm commitment to the cause of Islamic da'wah, locally and internationally, and vowed to vigorously support the cause of Islamic nations.¹⁶ It is undeniable that Islam is a major force in Southeast Asia since it is the official religion of Malaysia and Brunei Darussalam, the faith of some 90 percent of the Indonesian population and of large minorities in the Philippines, Thailand and Singapore. In addition, Islam in Southeast Asia has been increasingly politicized as a result of development within the Islamic world. Therefore, it is quite reasonable to expect that Malaysia's foreign policy would also be geared towards an active and serious commitment to the regional Islamic causes.

Yet this commendable stand in the conduct of foreign policy is arguably adopted for more than religious reasons. Politically, it is primarily motivated by the desire to ensure the maintenance of peace and stability in the region, and to promote cooperation among the regional state. As such, ASEAN has always been regarded as the cornerstone of Malaysia's foreign policy.¹⁷ Indeed, Malaysia's active involvement in the affairs of the Islamic world is not confined to the political arena. At the economic front, Malaysia believes that the economic growth and development of member countries

¹⁶ *Foreign Affairs Malaysia*, 15, no.2 (June 1982), p.149

¹⁷ *ISIS Focus*, June 1990, p.22

has currently become more difficult, especially by the manipulative policies of the developed nations, and the problem of indebtedness. Malaysia, under its first Premier, contributed significantly to the establishment of Islamic Development Bank (IDB) which aimed at accumulating wealth from the rich members to help the poor and less developed, and, at the time, to ensure that Muslim economy could compete with other developed and developing economies.¹⁸ Closer ties with the Muslim world, both Arab and non-Arab, holds the attractive potential for greater commercial, trade and investment linkages with these states. Dr. Mahathir echoed this point clearly when he remarked that Malaysia should take advantage of the presence of 900 million Muslims in the world.¹⁹ Pakistan and Iraq, for instance, are among the biggest buyers of Malaysia's palm oil.²⁰

In terms of investment, closer ties with the Gulf States, and institutions like the IDB, Saudi Fund and the Kuwaiti Fund for Arab Economic Development (KFAED), has injected funds for Malaysia's various development plans. Bilateral loans from these institutions had, for example, totaled by the end of 1984 M\$390.3 million (Saudi Fund: M\$25.5 million and Kuwait Fund: M\$137.8 million).²¹ Indeed, closer political and religious ties with these countries led to medium and long-term

¹⁸ *Berita Harian*, 17 April 1974

¹⁹ *New Straits Times*, 2 April, 1984

²⁰ Economic Report 1985 (Kuala Lumpur: Ministry of Finance Malaysia, 1985), p.42

²¹ Mohd. Yusof Ahmad, *Continuity and Change in Malaysia's Foreign Policy: 1981-1986*, Ph.D. Thesis, Tufts University, 1990, p. 308