

COMMONWEALTH HEADS OF GOVERNMENT MEETING 1971

Address of Welcome by

Mr. Lee Kuan Yew, Prime Minister of Singapore -

Thursday, 14th January, 1971.

Your Excellencies, Your Beatitude, Your Highnesses,

Ladies and Gentlemen,

May I bid welcome to all my friends and colleagues from the Commonwealth. I would wish you to feel at home and at ease in Singapore. Please feel free to make any adjustments to the arrangements made. The aides attached to your delegations are to see that arrangements suit your convenience.

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From small informal gathering of five Prime Ministers, today we have 31 Presidents, Prime Ministers and senior Ministers. There has been a change of style and format. Nevertheless I hope we can still speak more frankly and freely than at other international gatherings. A wide spectrum of political views reflects the different economic, social and cultural characteristics of 31 nation states. We all seek a better future for our people. But, given the different circumstances of

natural and human resources, agricultural or industrial backgrounds, and industrial and technological competence, we have to chart different courses towards this goal.

There has been over six months of controversy over the proposed sale of arms by Britain to South Africa. The news agencies and television have carried most statements and interviews to all of us. On the one hand, it is seen as a decision which, on principle, must be that of the British Government's alone. On the other hand, it is seen to be an unprincipled act in support of South Africa and her apartheid policies, and against the interests of the independent African states north of the Zambesi. I know how strongly both views are held. My work, as Chairman, will be made easier if we do each other the courtesy of being frank and trenchant, and polite, if only coldly so.

My first duty as the chairman is to enable all important issues to be thoroughly discussed. But no issue should exclude adequate consideration of other equally important issues concerning all the six continents represented here. I hope these issues will be seen in the wider perspective of the probable future. My second duty is to see that time is shared fairly among us all.

There were sharp differences of views about the use of force in Rhodesia. Many African Governments felt that it was the duty of the British Government to bring Rhodesia back to constitutional rule by the use of force. Over five years, despite breaches of economic sanctions by several countries besides South Africa and Portugal helping the illegal regime to carry on, most have come to accept the reality that the use of force never was, and still is not, politically possible for the British.

There may be a sharper division on the proposed arms sales, than over the use of force on Rhodesia. We have gathered to listen to each other's point of view, and to seek common ground if that is possible. However, if in the end, consensus is not possible, we shall have to decide whether we can agree to disagree. If we cannot contain our present differences over the proposed arms sales, then it is unlikely that the Commonwealth, as at present constituted, can long endure.

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For, in next few years we shall be faced by graver differences on vital world issues. Most associations of nation states are held together by a formal framework of rules which promote some common national interests. In the United Nations, the Communists and the anti-Communists, the Arabs and the Israelis, all have found it necessary to sit in the same Assembly, however bitter

their conflicts, because they all are in search of peace. They are also in search of solutions to common problems, one of which is the ever-widening rift between the rich and the poor nations, between the more and the less developed.

Other associations like the European Economic Community have tight rules. These rules bind them closer together with the passage of time. Over the 1960's, these rules have brought them into a common economic mould. Further agreements among them in the 1970's may make the E.E.C. countries have a greater say in the joint defence of Western Europe. Eventually some European union may emerge to help them chart a common destiny.

The Commonwealth has no such rules. We are unlike the French community. France and the French-speaking nations overseas, linked through past association in empire, are linked in present association through French membership of the E.E.C., and the former French dependencies being associated states. We were unfortunate that Britain was not a signatory of the Treaty of Rome on 25th March, 1957. Had she been, many of us might have been able to enjoy the benefits of a wider market for our produce and simple manufactures. Indeed, some African countries in the Commonwealth have sought and obtained some advantages of association with the E.E.C. On the other hand, the trading

benefits in Commonwealth preferences have been slowly eroded. They will disappear when Britain joins the E.E.C.

Trade within Commonwealth countries grew by 36.1% from 1960 to 1969⁽¹⁾. Total world trade for this period increased by 149.8% ⁽²⁾. For the same years, trade within E.E.C. countries grew by 309.9% ⁽³⁾.

(1) Source: Commonwealth Trade, 1969. (Annex I)

(2) Source: Commonwealth Trade, 1969. (Annex II)

(3) Source: Direction of Trade, I.M.F. (Annex III)

Successive Kennedy rounds have sought to lower tariff barriers to liberalise trade. But there is now a grave danger that the United States Congress may go through with legislation to slap quota's upon any import which is more than 15% of her consumption of any product, which is produced domestically. If this trigger mechanism of the Mills Bill is re-introduced and passed in the 1971 Congress, it may lead to tariff wars between economic blocs. In this event, the concessions agreed to in principle at the UNCTAD meeting in Geneva in October last year will become derisory. If the total volume of world trade shrinks, tariff concessions by developed countries to the less developed, without giving them also to the developed, as required by GATT (General Agreement on

Tariffs and Trade), will not be much of a boost to the industries of the less developed countries.

But issues of such gravity as the Mills Bill do not catch press headlines. Perhaps the reader of a popular newspaper does not understand the consequences of these events to his job or to his cost of living.

We should not leave the impression that 31 Commonwealth Heads of Government failed to take this opportunity to underline this threat to all our economies. If world trade shrinks as a result of protectionist tendencies in the United States or the E.E.C., we all stand to lose. Our interests are best served by getting more liberal trade policies pursued by the United States and the E.E.C. This will become more important when the E.E.C. enlarges its membership from six to ten.

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All of us, the developed and the less developed countries, have forged new links in regional and international groupings. In addition to our bilateral ties with Britain, all of us have developed multilateral ties with other developed countries, East and West.

Our Caribbean members receive more attention from Canada. Those from the South Pacific are especially closer to Australia and New Zealand, and in the long run may be closer to them than to Britain.

Besides being members of the United Nations, participating in all her agencies, our colleagues from Africa are members of the O.A.U.

Singapore is trying to find a wider base in regional development in ASEAN with Malaysia, Indonesia, Thailand and the Philippines. At the same time, we continue defence arrangements in a Commonwealth Five, Malaysia, Australia, New Zealand and Britain.

Australia and New Zealand were associated with Singapore's defence in the Second World War. They have helped in the development of our defence capabilities since then. We have as many of our students in Australian, Canadian, and New Zealand universities as in Britain. Nearly a third of our university graduates are from Commonwealth universities.

But we would be naive if we did not expect Australia and New Zealand, good friends though they are, from time to time to re-assess how best their resources can be re-deployed. It is in their interests, and ours too, that their

nearer neighbour, Indonesia, is helped to greater stability and economic progress. For Indonesia can then become a stable and rich area for raw materials and, eventually, good markets for Australian and New Zealand exports.

The developed nations amongst us may be prepared, for the present, to spread some of their external aid on Commonwealth countries for reasons of sentiment. Whether they continue to do so in the future will depend on whether such aid is likely to advance the economic, security, and other interests of the donor country. It is useful to have shared a common experience. But it is the future that concerns us more. 7 Presidents, a Vice-President, 17 Prime Ministers and 5 senior Ministers in government leading their delegations, have not travelled thousands of miles to meet in Singapore if they did not believe in the Commonwealth. However, we must build up multiple mechanisms to increase our mutual interests in joint endeavour.

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I am informed by the Commonwealth Secretariat that there are over 250 different Commonwealth associations, from the professions to youth groups, from Commonwealth press associations to Commonwealth educationists. All these are of value. But how are these organisations financed and kept alive and abreast of developments? Are these get-togethers of our professional, educational and scientific elites sufficient? The Commonwealth partnership must

give mutual advantage if it is to receive financial support from all partners, and be further developed to meet new situations.

If Britain joins the E.E.C., as is not unlikely in the next few years, painful adjustments must be made by those of us who export produce to Britain.

Whether it is butter from New Zealand, grain from Canada and Australia, or sugar from the Caribbeans and Mauritius, we shall all be affected.

In any case, regardless of British membership of the E.E.C., textiles from India, Pakistan, Singapore, and even Hong Kong will lose their U.K. quotas by January 1972.

How do we give a new content to this Commonwealth partnership in these circumstances? There are probably answers to this. But we shall not find them if we become so preoccupied with immediate issues that the broader picture is distorted or blurred. We shall then be the poorer for it. But if we can see the vistas on the horizon, further develop the many intangible ties born out of a common experience, and build on their foundations, we can all derive satisfaction and advantage from it.

These are the realities of the present world, and of the probable future, seen from Singapore. I look forward to hearing our colleagues from East Africa.

They can tell us how they view the world, the difference between East Africa states which have, and those which do not have, common boundaries with white-dominated southern Africa. The West African view of the world may be somewhat different from that of the Caribbean.

Canada and Australia, both on the rim of the Pacific basin, see America and Japan in different perspectives. One has the United States as an immediate neighbour. Whilst in no danger from external aggression, there is the perpetual possibility of a nuclear exchange taking place over Canada's clear unpolluted skies. Australia does not have the advantage of distance of the wide Pacific separating her from the problems of Asia.

But even New Zealanders do not quite see the world exactly as the Australians. They, the most "British" of all Commonwealth countries, may be hurt most when Britain joins the E.E.C.

We all have different problems, not excluding Britain. But we live in one small world. If we can give the Commonwealth a new relevance, a fresh validity, it will be a more agreeable place for all of us.

Our deliberations should strive to give the Commonwealth a framework for future development. If we evolve new patterns of economic and technological co-operation, making for more joint effort and mutual benefit, the Commonwealth could mean more to all of us.

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Annex ITotal Trade of the Commonwealth Countries, 1960-1969

£ Thousand Million

	Total All Countries	Within the Commonwealth Countries	Rest of the World
1960	20.5	7.2	13.3
1961	20.8	7.0	13.8
1962	21.3	6.8	14.4
1963	22.9	7.3	15.7
1964	25.6	7.9	17.7
1965	27.0	8.0	19.1
1966	28.8	7.8	21.0
1967	30.7	7.9	22.8
1968	39.2	9.1	30.1
1969	43.4	9.8	33.6
1968/60	91.2	26.4	126.3
% Increase: 1969/60	111.7	36.1	152.6

Source: Commonwealth Trade, 1969.

Annex IIWorld Trade

	<u>Total</u>	
	£ Thousand million	
1960	83.0	
1968	182.4	
1969	207.3	
	1968/1960	119.8
% Increase	1969/1960	149.8

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Source: Commonwealth Trade 1969.

Annex IIITotal Trade of E.E.C. Countries, 1960-1969

£ Thousand Million*

	Total All Countries	Within E.E.C. Countries	Rest of the World
1960	21.2	7.3	13.9
1961	23.0	8.4	14.6
1962	25.0	9.6	15.4
1963	27.8	11.3	16.5
1964	31.2	13.0	18.2
1965	34.6	14.7	19.9
1966	38.0	16.5	21.5
1967	39.9	17.5	22.4
1968	52.9	24.0	28.9
1969	62.0	29.8	32.2
1968/60	149.6	230.0	107.5
% Increase 1969/60	192.6	309.9	131.2

Source: Direction of Trade, I.M.F.

- * Original data in U.S. dollars, converted to pounds sterling at the exchange rate of U.S. \$2.80 =1£ for the period 1960 to mid-November 1967, and at the exchange rate of U.S. \$2.40 =1£ sterling for the period mid-November to end December 1969.

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