

SPEECH BY MINISTER MENTOR LEE KUAN YEW AT THE SULTAN SIR HAJI OMAR ALI SAIFUDDIEN MEMORIAL LECTURE, BANDAR SERI BEGAWAN, 25 FEBRUARY 2009

"THE LEGACY OF SULTAN HAJI OMAR ALI SAIFUDDIEN"

I am honoured that, with the consent of His Majesty Sultan Hassanal Bolkiah of Brunei Darussalam, the Sultan Haji Hassanal Bolkiah Foundation has invited me to deliver the first of the Sultan Haji Omar Ali Saifuddien Memorial Lectures. It is fitting and proper that the Seri Begawan should be commemorated. At a turning point in its history, the Brunei Sultanate would have ceased to exist as an independent state without him. In August 1963, Indonesia was opposing the proposed Federation of Malaysia and confronting Malaya and Singapore. Only eight months earlier, on 8 December 1962, Brunei had faced a revolt by Sheikh Azahari of the Partai Rakyat Brunei (PRB) and British forces from Singapore put down the rebellion. It was a time of great peril when the Sultan decided not to join the proposed Federation. Singapore went ahead and joined the Federation. Sultan Omar Ali was under great pressure from the British who had hinted that they would be leaving the region soon. But he stood firm. He put his position as Sultan and the fate of his people on the line. His judgment was that the British would be responsible enough to give him some time to get his country in better shape before British forces left.

In 1932, at the age of 18, he left with two of his cousins to enrol at the Malay College in Kuala Kangsar, Malaya. He studied there for four years and returned with a Standard 4 examination certificate. He then

entered the State Administrative Service with the encouragement of the British Resident, later Governor of North Borneo, R E Turnbull. He was stationed in Kuala Belait for a year, lived and worked in the jungle in Ulu Belait. After a year, he joined the Legal Department as a cadet officer, and learned aspects of civil and criminal law, understudying H Hughes-Hallet, the Assistant British Resident.

In 1938, he left the legal department and devoted his time to study religion under well-known religious teachers. In 1941, he joined the Resident's Office. On 6 September 1941, he married Pengiran Anak Damit, the daughter of the Pengiran Bendahara. Brunei was occupied by the Japanese military in early 1942. He was nominated to the State Council from 29 June 1942 and worked at the Governor's office at the request of the Japanese military administration.

His brother, the Sultan, Ahmad Tajuddin, died on 4 June 1950, and Omar Ali was proclaimed Sultan on 6 June 1950. He was crowned on 31 May 1951 as Brunei's 28th Sultan at the age of 35. He was made a Knight by the British monarch.

I first met him in September 1960 when he had invited the Yang Di-Pertuan Negara of Singapore, Yusof bin Ishak, me as the new Prime Minister and our wives to Bandar Brunei for his 46th birthday celebrations. He had gathered some Malay literary figures from the Dewan Bahasa Dan Pustaka in Kuala Lumpur, including Syed Nazir, the then-President of the Dewan. He spent time the next few days discussing Malay literary works.

The late Sultan was a modest man. He was soft-spoken, with a frequent smile when speaking to his friends. He lived a simple and frugal life. For his birthday, he had built an annexe to the old Istana. It was not air-conditioned. He did not like air-conditioning. The room that my wife and I stayed in within this newly-built annexe was very hot, like an oven even at night. The sun would shine on the building in the afternoon and there was not enough ventilation. So I quietly moved out to stay at the rest-house in a room with a window-model air-conditioner. It was during this visit to Brunei that we struck up a friendship that was to grow and endure the rest of his life.

On 27 May 1961, Tunku Abdul Rahman, the Malayan Prime Minister, at an address to the Foreign Correspondents Association in Singapore, mooted the formation of Malaysia, to include Brunei, Sarawak, North Borneo (subsequently to be named Sabah), Singapore and Malaya. On 5 December 1961, Sultan Sir Omar Ali described the Malaysia proposal as very attractive. In January 1962, he appointed a Brunei-Malaysia Commission to report on the opinion of the people. On 18 July 1962, the Sultan stated that he accepted the Malaysia proposal in principle, but that it did not necessarily mean it was final. If agreement could not be reached on important conditions affecting benefits to the people and the state, Brunei would not participate in the Malaysia plan.

In August 1962, the Partai Rakyat Brunei (PRB) won a landslide victory in four District Councils which in turn would choose 16 members for the Legislative Council (LegCo). The PRB won 54 seats and had all the 16 members required for the LegCo. But they could not form the government.

The 17 government nominees outnumbered the PRB in the 33-member Council. Sheikh Azahari, Leader of the PRB, rejected the proposal that Brunei join the proposed Malaysian Federation. Azahari put forward three motions at the Legco meeting, for 5 December 1962: first, to reject the proposal of a Malaysian Federation; second, to request the restoration of Brunei's sovereignty over Sarawak and North Borneo and the installation of the Sultan as constitutional monarch of the North Borneo Federation; and, third, a request to the British to grant independence to Brunei not later than 1963.

The Speaker of the LegCo disallowed the motions because the issues fell within the purview of the British government under the 1959 British-Brunei Agreement. Sheikh Azahari, the PRB leader, decided to resort to a military solution and staged a rebellion led by its military wing, Tentera Nasional Kalimantan Utara (TNKU). The revolt began on 8 December. It was put down in short order by British forces flown in from Singapore. On 20 December, Sultan Omar Ali declared a State of Emergency, suspended the Constitution, dissolved the LegCo, and appointed a 14-member Emergency Council comprising four ex-officio members, including the British High Commissioner, Sir Denis White, and 10 members nominated by the Sultan.

Negotiations on Malaysia were resumed in earnest following the end of the rebellion. The Sultan did not accept the terms that Malaya offered him. When the Malaysia Agreement was signed on 9 July 1963 in London, Singapore, North Borneo and Sarawak signed on. Brunei did not. I had been in frequent touch with the Sultan in London, then staying at Grosvenor House.

He was very firm in his decision not to join. As a result, after Malaysia was formed on 16 September 1963, Tunku Abdul Rahman, the Prime Minister of Malaysia, recalled hundreds of Malaysian teachers and government officers seconded to serve the Brunei administration. Their departure caused a temporary dislocation in Brunei.

Several accounts were given to explain the reasons for Brunei's decision not to join the Malaysian Federation. One account cited disagreement over oil revenues as the primary cause. Kuala Lumpur wanted Brunei to hand over control of its oil to the Federal government after 10 years. Kuala Lumpur also wanted to immediately tax any new oil and mineral finds discovered after Brunei joined Malaysia and to make the Sultan's contribution of \$40 million to federal revenues compulsory rather than voluntary. The Sultan was said to have found these terms unacceptable.

Another account from Kuala Lumpur alluded to the Sultan's unhappiness over the issue of royal precedence. However, I believe Sir Omar was neither willing to compromise Brunei's control over its oil revenues nor ready to have his privileges as the Ruler of Brunei curtailed. More to the point, the vibes that Sultan Omar Ali felt during the negotiations were that he would become subordinate to Kuala Lumpur's leaders and he would rank behind Malaysia's nine Sultans in seniority, besides giving up a chunk of this oil wealth to KL. When we met soon after Singapore was asked to leave Malaysia in August 1965, he smiled and nodded with satisfaction that his decision not to join was wiser than Singapore's acceptance of Malaysia.

Just over two months after Malaysia was formed, on 1 December 1963, the British Colonial Office cut its long-term connection with Brunei. The British High Commissioner in Brunei, no longer called the British Resident, henceforth would deal with the Secretary of State for Commonwealth.

When the Labour Government took office in October 1964, it became clear that sooner or later they would withdraw their forces from east of Suez. This would jeopardise Brunei's secure position as a protectorate. British advisers pressed the Sultan to hasten the implementation of constitutional reforms so that there could be a democratic government in place. In March 1965, a second general election was held for District and Legislative Councillors. 36 candidates contested for 10 LegCo seats in the 21-member LegCo that would comprise six ex-officio members and five members nominated by the Sultan. 88 candidates fought for seats in four District Councils. A large number of candidates contesting under political parties were defeated by independents because the political parties were weak.

On 4 October 1967, Sultan Omar Ali, then aged only 53, abdicated in favour of his 21-year-old eldest son, Hassanal Bolkiah, born on 15 July 1946. It was a strategic move he made to buy time before a British withdrawal. I was invited to the coronation of his son in 1968. Protracted negotiations with the British on Brunei's future continued following the abdication. The Sultan, now the Seri Begawan, dragged out the discussions. He wanted his son to get familiar with the administration. Moreover, his son

was only 21 years old. He deflected pressure to adopt the British adversarial Parliamentary system.

He argued with the British that he needed a few years for the young Sultan to learn the ropes and strengthen the domestic situation ahead of any constitutional changes. He bought time from 1963 to 1983, over 20 years, when the British finally withdrew, and Brunei became an independent state. Without the skilful and determined stand taken by Sultan Omar Ali in the full knowledge that he was risking the future of his Sultanate if the British were to leave precipitately, he saved his dynasty, delayed majority rule before Brunei was ready, and he secured Brunei's continued defence by an agreement to pay for one British Gurkha battalion that would stay in Brunei under British control. A discreet British presence remained.

The Seri Begawan had preserved Brunei's oil wealth. He left the bulk of his country's reserves with the Crown Agents to manage. He was fortunate that Britain acted with responsibility. Most of all, the Seri Begawan played his hand with considerable skill. He pleaded for time to educate enough local Bruneians who could manage the administration of the country.

Way back in the 1960s, he and I had become close friends. He trusted me because I never took advantage of his friendship to ask for favours. On one occasion, he asked his sons to sit in when I met him and he told them that I was a friend who could be relied upon. He wanted the friendship between us to continue with his sons. It has. The close ties continue between the Sultan and his brothers with the present PM and other leaders of Singapore. Less than three years after independence, on 7

September 1986, he passed away. He was deeply mourned by the people of Brunei. They knew that he had saved their independence and are able to live as they wish, keeping their oil wealth. It was Sir Omar's statecraft. He built the infrastructure of state. By the 1980s, he had given the sultanate's 200,000 people a high per capita income of US\$20,000, among the world's most privileged. He strengthened Brunei's Islamic institutions.

Sultan Omar Ali took calculated risks with courage. He had a keen sense of what was politically possible. During the 17 years from 1950 to 1967, he brought economic, social and political developments to Brunei. With two Five-Year Development Plans, he provided for an education system throughout the state. He built schools to teach English, gave scholarships to promising young students to study in overseas institutions. He provided school children with at least one free meal a day. Religious schools were given high priority. Hospitals, clinics were set up and dental services to schools were provided. He eradicated dysentery and malaria. He provided electricity for the whole state. He developed the roads and telecommunication systems. He reclaimed swamp lands and resettled people.

He set up the Royal Brunei Malay Regiment in 1961, which evolved into the Royal Brunei Armed Forces. The Currency Board was established in 1967. Sultan Omar Ali had ensured the survival of an independent Malay Muslim monarchy at the end of the 20th century. He had built a strong foundation before passing the mantle to his eldest son. His Majesty Sultan Hassanal Bolkiah has guided Brunei since independence in

1984, a 25-year period, during which Brunei has progressed in material and social terms. The old Sultan would have been happy to know that an independent Sultanate in Brunei has progressed in the quarter century after independence. His son, Sultan Hassanal Bolkiah, has preserved his heritage. Sultan Hassanal Bolkiah has continued to expand the numbers of abler Bruneians who are educated abroad, and created a thicker layer of the higher educated and well-informed elite.

It was good for Brunei that at the time it became independent, the leader of ASEAN was President Soeharto of Indonesia. He knew that I was a good friend of the Seri Begawan. So he asked me to invite Brunei to join ASEAN. Brunei did join and became a member of the family of ASEAN states. This consolidated Brunei's sovereign status, especially when it was recognised by its neighbours. Joining ASEAN also reduced the dangers of conflict between Brunei and its neighbours.

The close friendship and mutual trust that the father established with me have continued in the leaders of the next generation. This is a special relationship. We are the two smallest countries in ASEAN. One natural area of cooperation is defence, where our two countries have a longstanding, deep and extensive relationship that goes back to 1976. There are extensive interactions between the two Defence Ministries and the Armed Forces at all levels, from the Ministers to the younger officers.

All Singapore Prime Ministers and Ministers have scrupulously followed my policy of never taking advantage of our close friendships with the Brunei Royal Family, their Ministers and officials.

The two Armed Forces train together in Singapore and Brunei on a regular basis. They conduct seven joint exercises annually. The Singapore Armed Forces is particularly grateful for the opportunity to conduct some of its training in Brunei, given Singapore's land constraints.

RBAF officers and soldiers attend a wide range of military courses in Singapore, together with their Singaporean counterparts. These range from technical courses to Officer Cadet School and the Command and Staff Course. Likewise, SAF officers attend courses in Brunei, such as the Executive Development Programme and the RBAF Junior Staff Course. A recent addition is the Scholars Exchange Programme for scholars from the defence establishments of both countries before they depart for their studies. These exchanges have enabled the officers to enhance their military knowledge. More importantly, they get to know one another at a personal level. Such interactions provide the foundation for ensuring that the relationship between our two armed forces remains strong in the coming years.

Another important area of collaboration is the Currency Interchangeability Agreement. In December 1964, a year after Malaysia was formed, the Malaysian government decided to terminate the Board of Commissioners of Currency and to issue a new currency for Malaya, Singapore and the Borneo territories, including Brunei. The Malaya-British Borneo Currency Agreement was terminated two years later. The Malaysian government in Kuala Lumpur declined Brunei's request that it be given a seat on the policy-making body. Also, Malaysia opposed Brunei's request that the

portrait of the Yang Di-Pertuan Agong of Malaysia should not appear on the new notes. Hence, Brunei enacted legislation in January 1967 to form its own Currency Board. Brunei, Malaysia and Singapore adopted a Currency Interchangeability Agreement, which allowed our currencies to be accepted inter-changeably in the three countries. Although Malaysia withdrew from the Agreement in May 1973, Brunei and Singapore have maintained the arrangement till today. In June 2007, His Majesty Sultan Hassanal Bolkiah and Prime Minister Lee Hsien Loong celebrated the 40th anniversary of this Agreement and jointly launched two \$20 polymer commemorative notes in Bandar Seri Begawan to commemorate the event. This Agreement reflects our long-standing friendship and mutual trust, and has deepened economic ties between Brunei and Singapore.

Singapore's leaders have continued the close ties with Brunei after my long association with the Seri Begawan and his sons. This association has endured and flourished because it is based on mutual respect and trust, and utmost good faith. Future generations of leaders and officials should build upon and enrich this special relationship.

The history of Brunei has been a most unlikely story of a Sultanate that has survived into the 21st century as an independent oil-rich state in a turbulent part of the world. Singapore and Brunei share fundamental similarities. I remember during one of the Seri Begawan's visits to Singapore after our independence, he had smiled broadly and, with his eyes twinkling and his moustache twitching, said "You are now like Brunei. It is better for you." As small states surrounded by bigger neighbours in an

increasingly uncertain and complex world, we share similar aspirations and concerns. We can complement on our respective strengths to enhance our development and growth. Both bilaterally and multilaterally with our other partners in ASEAN, we can help ASEAN become an integrated, stable and thriving regional association at peace with one another and with our larger neighbours, including China and India.

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