The formation of the Federation of Malaysia in September 1963 is usually associated in historical texts with the first Prime Minister Tunku Abdul Rahman. Little known, however, is the significantly important role played by Tun Ghazali Shafie in the realisation of the idea of the broader federation which took two years of discussions and delicate negotiations between the governments of Malaya, Britain, Singapore, North Borneo (Sabah) and Sarawak between 1961 and 1963. The writings on the formation of Malaysia have largely focused on the more prominent personalities who conducted the negotiations, and Ghazali Shafie's role is often only mentioned in passing.

Ghazali Shafie was thrown into the "cauldron" once the idea of the federation was initiated with very little advance notice and with little choice. He was asked by the Prime Minister Tunku to head the Malayan delegation in the Cobbold Commission which was set up to conduct a fact-finding tour of the Borneo states to obtain the views of the people on the idea of the wider federation. The historical records indicate that Ghazali had a significant hand in the various stages of the formation of the federation.

The formation of the Federation of Malaysia faced numerous hurdles and challenges from within and without. Initially there was opposition to the idea from political groups in the proposed member states of Sarawak, Sabah and Brunei which were initially involved in the discussions. Singapore, on the other hand, was only too glad to support the federation as its leaders had, since the 1950s, been promoting the idea of a merger between Malaya and Singapore. The exception in Singapore was the opposition Barisan Sosialis. In addition, there were negative reactions from Indonesia and the Philippines to the idea of a "Greater Malaysia". Indonesia saw the proposed federation as a form of neo-colonialism while the Philippines laid a sudden claim to North Borneo or Sabah. Further, the