

08 JUL 1998

TEXT OF THATCHER'S SPEECH

By: Wan A Hulaimi

LONDON, July 8 (Bernama) -- Following is the text of Baroness Thatcher's speech at the launch of Prime Minister Datuk Seri Dr Mahathir Mohamad's book, "The Way Forward", at the Dorchester Hotel here today. Audience reaction in square brackets.

High Commissioner, Secretary General, and all kind friends who are here this evening.

I could of course tell you how to set an economy right because I did it. [laughter] But I think you might know and it will take too long, but, anyway it's not the subject of the immediate speech.

I was very pleased to be asked to celebrate the launch of Dr Mahathir's collection of essays, "The Way Forward", since we were both close colleagues in the 1980s and I have a great admiration for what he has achieved in Malaysia.

Indeed, I would like to believe there were a certain amount in common. Let me share a secret with you: 1925 was clearly a vintage year for producing prime ministers. [Laughter].

We both believe in speaking our minds. It's just as well he was a man for he'd have been lethal with a handbag. [prolonged laughter]

Neither of us is a stranger to controversy, nor have any fear of it. Milk and water leaders never achieve much, even if they make people feel good for the time being at least.

I will always remember our first encounter when I was on an official visit to Malaysia. That was in 1985.

At the dinner to welcome me, Dr Mahathir launched into a scathing attack on the Commonwealth. In my reply I suggested that he might at least like to give it a try. Which he did.

And then in 1989 he hosted the most successful Commonwealth Heads of Government meeting that I can remember. So even if I was not much of a diplomat I could sometimes be persuasive. [laughter]

Under Dr Mahathir's leadership Malaysia has made, as you heard, quite extraordinary progress in increasing the national wealth and in raising living standards for everyone.

It is one of the great success stories of the second half of the century.

Of course Malaysia is blessed with great natural resources, but so are quite a lot of other countries, including, for example, Russia.

It takes vision and leadership to turn nature's gifts into thriving industries and trade, and it takes free enterprise as well.

Dr Mahathir has provided that vision and leadership in abundance.

Like many countries in Asia, Malaysia is now experiencing a short economic downturn, and it is easy to understand Dr Mahathir's disappointment at seeing such a remarkable record of economic growth suddenly eroded.

Well, we may differ about some of the reasons. but I do agree that Malaysia's been more severely buffeted by the economic storms in Asia than she deserves.

I also agree with Dr Mahathir that the IMF needs to improve its surveillance of international capital flows so that such vast and unexpected upsets can be avoided in the future.

But some of the causes have to be sought within the countries of

origin, and I believe that Malaysia's economic problems and those of its neighbours are temporary.

With the right policies they can be quite rapidly overcome.

Under the strong leadership of Dr Mahathir and his finance minister and deputy Anwar Ibrahim that should be entirely, eminently achievable.

Let us not forget that unlike many of its Southeast Asian neighbours, Malaysia has not had to call in the IMF for help.

Dr Mahathir's excellent essays contain many of the right answers, not quite all. You'll have to read my books for those. [laughter]

But we share this: he has no truck with socialism and communism which simply want to expropriate wealth and redistribute it.

He recognises that the way to improve living standards for everyone is to stimulate growth.

He recognises that it is more important to create new jobs than to finance unemployment benefits.

He believes in the family, including the extended family, which is indeed one of Malaysia's great strengths.

It's these beliefs which have brought Malaysia remarkable economic growth in the past, and surely will do so again in the future by giving all Malaysia's ethnic groups an equal opportunity to participate in the country's growing prosperity.

The New Economic Policy - although all the best policies are the old ones and sound ones dressed in new clothes - [laughter] the New Economic Policy made it possible for Malaysia to enjoy harmony between all the races which make up its very talented population.

Dr Mahathir's sometimes chided by know-all commentators for being too ambitious for Malaysia by initiating and supporting great projects. His critics should remember that without ambition you achieve nothing and great projects are what gives a nation pride in itself.

Dr Mahathir's first and famous book, "The Malay Dilemma", was banned in Malaysia when it first appeared in 1972. That's usually a good sign of originality and unconventional thought. [laughter]

Far from being banned, I hope the present volume will be bought by everyone who wants to understand the reasons behind Malaysia's achievements for the past 30 years.

I wish it every success and propose a toast to its author - if someone will let me have a drink. I'm not sure Dr Mahathir will approve of this, but nevertheless I'm going to drink it in champagne, mind you I'd prefer to drink it in whisky, it's a better drink [laughter] but never mind, champagne will do. [laughter]

A toast to Dr Mahathir, an outstanding leader of his nation. Dr Mahathir, prime minister of Malaysia!

-- BERNAMA

WAH rn