

SPEECH BY: DATO' SERI DR. MAHATHIR BIN MOHAMAD  
( PRIME MINISTER )

EVENT: THE DINNER GIVEN IN HONOUR OF HIS EXCELLENCY MR. A.A.M. VANAGT,  
PRIME MINISTER OF THE NETHERLANDS

VENUE: PARLIAMENT HOUSE, KUALA LUMPUR

DATE: 15 MAR 1982

TIME:

Your Excellency Prime Minister Van Agt,  
It is a pleasure for me to extend once again to Your Excellency and the distinguished members of your delegation a warm welcome to Malaysia. Your Excellency's visit which is the first by a Prime Minister of the Netherlands is indeed an honour for Malaysia. I am delighted at the opportunity of playing host on this occasion and I hope that your few days stay with us will be both enjoyable and memorable.

2. We have had the opportunity this afternoon to meet and share our thoughts on a wide variety of subjects. I am happy that we share above all else a common desire to see the relations between our two countries expand to our mutual benefit and for the well-being of our peoples. I have no doubt that your visit will further strengthen the relations and foster greater cooperation between our two countries.

Excellency,

3. There have been frequent consultations and close cooperation between our two countries in the political as well as economic fields. I am appreciative of the understanding and support which the Netherlands have given to Malaysia on matters of great importance to us, both internally as well as regionally and internationally. Your support for the aspirations of the developing countries to effect structural changes to the international economic order cannot go without special mention nor can we forget the active role which your country has played in the North-South dialogue. Your support for the siting of the International Natural Rubber Association Headquarters (INRA) in Kuala Lumpur is much appreciated.

4. Malaysia has of late become disenchanted with what is said to be a free market for commodity trading, particularly tin. We see a system already loaded in favour of consumers being manipulated in a most unfree market-like ways to the detriment of our economy. Due to various manipulations on the Exchange the price of tin has reached a very low level, necessitating intervention by the ITA, which in turn means contribution by Malaysia to the tune of almost 100 million

Malaysian Ringgit.

5. Malaysia is therefore looking towards other arrangements for the marketing of tin as well as regulating output in order to lessen her dependence on tin as a revenue earner. We are urging a producers' association, not in order to jack up prices or to hold the world to ransom, but in order to get fair prices while continuing to stay in the market. We hope that the Netherlands would understand this move by Malaysia and would not stand in the way.

6. I am happy to note, Mr. Prime Minister, that the volume of trade between Malaysia and the Netherlands has always been substantial. However, this is not because the imports were for the Netherlands, but because you act as the gateway to much of Europe. We do hope that actual direct trade with the Netherlands will increase. The test that you are a strong advocate of trade liberalisation is most heartening particularly as we see so many developed countries turning to protectionism after years of enjoying free access to the developing countries.

7. Malaysia welcomes foreign investments. We are happy to see increased interest by Dutch businessmen in investment opportunities in Malaysia. I would like to assure you that your investment is protected. We will not nationalise or expropriate in any way. However, I would like to stress once again that we retain the right to buy anything that is sold in the market. If your shares or your companies are up for sale then we reserve the right to buy if we think that it is worthwhile. There has been some attempt to frighten investors away by saying that Malaysia might nationalise by buying from willing sellers. We do hope that such absurd interpretations of what goes on in the market will not be accepted by you. We hope to see more Dutch investments in Malaysia. We know that you are pragmatic businessmen who understand that our policy on foreign investment is for our own good. If you happen to benefit it is your right and we have no objection.

Excellency,

8. Malaysia as a member of ASEAN is committed to improve the quality of life of our peoples and to enhance their general well-being. We can attain these goals faster if our resources are productively utilised. For this reason we would like to see the early return of peaceful and stable conditions in Indochina so that all of us could devote ourselves to the pursuit of development. We have made it clear that we cannot accept military intervention as a means of settling a zonal problem. The people of a country must be given the right to determine the form of Government that they want.

9. Malaysia, and ASEAN, will persevere in our efforts to seek a comprehensive and durable political solution to the

Kampuchean conflict on the basis of the UN Resolution 36/5 and the Declaration and Resolution of the International Conference on Kampuchea. We firmly believe that such a solution would pave the way for the realisation of our objective of a Zone of Peace, Freedom and Neutrality in Southeast Asia which would prevent super-power involvement in the region and thereby ensure durable peace and stability.

10. In this regard we appreciate your Government's concern and the fact that you share our views on a peaceful resolution of the Kampuchean problem.

11. I would also like to express my appreciation to your Government's assistance in resettling the Vietnamese illegal immigrants from Malaysia. We hope that the remaining Vietnamese illegal immigrants would be resettled in third countries so as to relieve our burden of providing transit facilities.

Mr. Prime Minister,

12. The Netherlands and Malaysia share the same aspirations for a peaceful world order. Our two countries also believe in the democratic parliamentary system of government and in free enterprise. We believe in upholding the principles of the United Nations Charter and strongly advocate the peaceful settlement of international problems. Your visit stimulates not only the common desire to enhance further our bilateral relations but also reinforces the political will and commitment to the search for peace for the benefit of all concerned. We have had a very fruitful discussion this afternoon and I am happy to note that we share identical views on many issues of regional and international importance.

13. May I now invite you all to join me in a toast to the health and happiness of Prime Minister Andreas van Agt, for the continued progress and prosperity of the Kingdom of the Netherlands and friendship between our two Governments and peoples.