

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

EVENT: THE OFFICIAL DINNER IN HONOUR OF HIS EXCELLENCY
THE PRIME MINISTER OF FRANCE, MR. PIERRE MAUROY

VENUE: THE BANQUET HALL, PARLIAMENT HOUSE

DATE: 13 DEC 1982

TIME:

Your Excellency Mr. Pierre Mauroy,
Prime Minister of the Republic of
France;
Madame Mauroy;
Distinguished Members of the French
Delegation;
Distinguished Guests;
Ladies and Gentlemen.

It is with great pleasure that I, on behalf of the government and people of Malaysia, welcome Your Excellency, Madame Mauroy, and the distinguished members of your delegation to Malaysia. Your visit to Malaysia, Excellency, is the first ever by a Prime Minister of France. I am confident that your visit will contribute to the strengthening of the existing close ties of friendship and cooperation between our two countries, and foster greater goodwill and understanding between our two peoples.

2. For a long time, Malaysia and France have shared cordial links. While France may not be among Malaysia's major trading partners, she has participated in and contributed to our economic development in the past and continues to do so presently. I believe there still exists wide scope for France to involve herself more actively in our economic development, particularly in the fields of trade and joint-participation in projects through investment.

3. I am happy to note and to welcome the growing interest that France is showing towards Malaysia as manifested by this visit of Your Excellency to our country. Indeed, in May this year, we had the occasion to welcome Mr. Michel Jobert, the Deputy Prime Minister and Minister of External Trade, who had wide-ranging discussions with our side on specific fields of cooperation. My colleague, Datuk Musa Hitam, the Deputy Prime Minister, also had the pleasure of meeting and having discussions with Your Excellency in Paris. These contacts and consultations could only augur well for our bilateral cooperation both now and for the future.

4. In this connection, let me assure you that in adopting

a "Look East" policy in order to balance foreign influences on our national development, we are not turning our backs on the West completely. The West remains an important partner in our development efforts and French expertise, technology and investment are always welcome.

Your Excellency.

5. We understand that the European Economic Community (EEC) is currently reviewing its development policy vis-a-vis the developing countries with a view to expanding the Community's economic cooperation with them. This is in recognition of the fact that such assistance is vital to the economic recovery of the western world itself. Likewise, we understand that the EEC perceives that developing countries like Malaysia require assistance in the field of industrial, technological and trade cooperation, particularly access to markets. We view this policy review by the EEC as a positive and timely development in the wake of the existing serious international economic situation made worse by unprecedented protectionism and ill-advised monetary and financial policies.

6. It is for this reason that we also learn with regret that France, which is an important and influential member of the EEC, has of late introduced a ruling requiring that all customs import-documents be prepared in French. This is certainly an impediment to a freer flow of trade and constitutes another form of non-tariff barrier. This new ruling by France does not appear to be in accord with the policy review being undertaken by the EEC to develop its economic cooperation with the developing countries. It comes as a surprise to us that France, which is deeply committed to the free enterprise system and a free and unhindered international trade, has introduced this form of indirect protectionism. Imagine the consternation among French exporters if Malaysia were to insist that they must use Bahasa Malaysia in all their documentation.

7. We hope that France would reconsider her decision and in doing so would use her strong position and influence within the EEC to urge the other members of the Community to do away with their protectionist policies. The abandonment of these protectionist measures would go a long way towards softening the negative impact of the recession on the developing countries in particular. Until these and other man-made restrictive economic measures such as market and price manipulations by commodity exchanges located in developed countries, high interest rates, release of stockpiles of so-called strategic commodities etc., are removed through the application of the right decisions by governments concerned, the current recession cannot but be prolonged to no one's benefit. This can only exacerbate the international economic situation to the detriment of worldwide economic development and prosperity.

8. In a world which has learnt to expect no growth or little growth, the ASEAN region can rightly be proud of its continued economic growth. True the growth is not as high as in the 70's, but it is still significant compared to the rest of the world. Consequently we find a great deal of interest focussed on this region. ASEAN and certainly Malaysia welcomes this interest. We hope, however, that the interest is not confined to the market potential of a relatively healthy economy.

9. Malaysia would like to take advantage of its good fortune in order to get a fair return for the market potential we offer. Trade missions coming to sell goods here should bring along investors as well. We need investment in new projects to support our industrialisation programme. We would also like to gain access for our manufactured products in the markets presently closed to us. And, of course, we would like to expand our commodity exports.

10. Lines of credits and soft loans are greatly appreciated. But their long term effects are not as good as the acquisition of technology and access to markets. What we would like to see is an offset programme whereby purchases and contracts are linked with economic reciprocity of one kind or another.

11. We will not legislate in order to achieve our objective. Nor will we proclaim a distinct policy. But we do expect our trading partners, particularly our friends to appreciate our yearning to become a developed country.

Your Excellency,

12. As you are aware, the Government of Malaysia gives high priority to socio-economic development so as to meet the aspirations and expectations of our people for greater prosperity and higher living standards. A steady economic growth and a stable socio-political environment require peace and stability not only within the country but in the region as well. To achieve this objective of regional peace and stability, Malaysia, together with her partners in ASEAN, declared their resolve to make Southeast Asia a Zone of Peace, Freedom and Neutrality (ZOPFAN). Our relations with countries of the region and beyond are based on the principles of respect for one another's independence, sovereignty and territorial integrity, non-interference in each other's internal affairs and non-use of force or threat of use of force.

13. We are, therefore, gravely concerned and perturbed at the unresolved issue of Kampuchea which has been brought about in the first instance by military intervention and occupation of that country by foreign forces. The protraction of the situation in Kampuchea continues to pose a serious threat to regional peace and stability besides

encouraging outside involvement and interference in the region. The international community has time and again called for and supported a speedy negotiated political settlement of the issue based on the principles of the ICK Declaration and other relevant United Nations' Resolutions. The formation of the Coalition Government of Democratic Kampuchea under the Presidency of His Highness Prince Norodom Sihanouk is a welcome development towards achieving such a negotiated political settlement of the Kampuchean issue. Towards this end, we would urge that France, a country which has historical links with countries in this region, to contribute positively to the political solution of the Kampuchean issue.

14. Malaysia and France share similar views and common perceptions on many global issues. This had enabled us to cooperate effectively in the United Nations and other international fora and has provided and will continue to provide a strong foundation for our bilateral relations. Your visit will further help in strengthening this foundation for our mutual benefit.

15. I would like once again to express our pleasure on this occasion to welcome you to Malaysia and I hope that your stay in this country, short though it may be, will both be enjoyable and memorable.

16. Honourable Ministers, Excellencies, Ladies and Gentlemen, May I invite you to rise and join me in a toast to the good health of His Excellency the Prime Minister of the Republic of France, and Madame Mauroy and the good relations between our two countries. Your Excellency, Mr. Prime Minister, Madame Mauroy, Honourable Ministers, Excellencies, Ladies and Gentlemen, May I request you to rise and join me in a toast to His Excellency, the President of the Republic of France. To the President.