



South Korean President Kim Dae-jung (right) with Malaysian Prime Minister Mahathir bin Mohamad (left) at an official dinner hosted by the Korean President for the Malaysian Prime Minister at Cheong Wa Dae, on May 23, 2002. In their summit, they exchanged views on a wide range of bilateral and international issues, including promotion of trade and investment as well as diplomatic coordination to curb international terrorism.

Summit Meeting Between President Kim and PM Mahathir:

Emphasis on Accelerate of Cooperation in IT for Mutual Benefits

South Korea and Malaysia agreed to boost trade and investment to further develop economic ties between the two countries. In their Summit Meeting at Cheong Wa Dae, on May 23, 2002, President Kim Dae-jung and Prime Minister Mahathir bin Mohamad of Malaysia exchanged views on a wide range of bilateral and international issues, including promotion of trade and investment as well as diplomatic coordination to curb international terrorism.

According to the Presidential Spokesperson Ms. Park Sun-sook, Kim asked for the Malaysian government's support for Korean companies' participation in its construction projects, including the building of the second Penang bridge. The President also requested Malaysia to pay attention and provide assistance to Korean companies seeking to participate in the Southeast Asian country's project to establish a high-speed telecommunication network.

The two leaders expressed general satisfaction with the way the two nations have steadily developed friendship in all areas of mutual concern and agreed to

step up efforts to elevate the cooperative relationship onto a new level. Economically, the two countries are very important to each other, they noted, and to accelerate mutual benefits, Seoul and Kuala Lumpur should put special emphasis on cooperation in information technology (IT) and several other industrial sectors.

The two leaders reached the decision after sharing the view that the ASEAN+Three Summit has played an important role in enhancing cooperation between the member countries of the Association of Southeast Asian Nations (ASEAN) and their dialogue partners from Northeast Asia.

The two leaders concurred that the ASEAN+Three (Korea, China and Japan) Summit has contributed to expanding and deepening the cooperative relationship between ASEAN and the three countries, and that the two countries would cooperate to develop the ASEAN+Three Summit into an East Asia Summit.

The two leaders also agreed to maintain close cooperation in connection with a regional study group's draft of a report on the future of East Asia, which is due to be submitted to the "ASEAN+Three

Summit talks in Cambodia slated for late this year.

Mahathir arrived in Seoul on May 22, 2002 for a three-day visit at the invitation of President Kim. After the summit, the Malaysian leader met Korean leaders from business associations and visited a research and technology center of Hyundai Motor Co. in Namyang, Gyeonggi Province.

Mahathir's visit to Korea was the third of its kind. His last official trip was made in 1990. President Kim visited Malaysia nine months after he took office in February 1998.

When they met in 1998, the two leaders showed differences in their views on the causes of the Asian financial crisis and how to cure it. Kim believed that the Asian economic difficulties were caused by mainly by Asian nations' structural problems, such as corruption and the lack of an efficient and transparent financial system.

Malaysia has a population of 24.3 million and per capita income of US\$3,400. Abundant in natural resources, including oil and

natural gas, in addition to being very strong in IT, the nation is Korea's ideal and mutually complementary economic partner.

Malaysia first instituted the "Look East" policy in 1981 and it has served as an important strategy to acquire new values from South Korea and Japan, nations that realized relatively fast success in industrialization.

Seoul and Tokyo act as exemplary cases for Malaysia in its bid to expedite the enhancement of work ethic, industrial discipline, technology development and the nation's general economic performance.

The policy has two major components. One is to inculcate "Eastern values" — work ethic and management practices with a focus on hard work, punctuality, loyalty, dedication, diligence, group priority, enhancing productivity, self-restraint, determination, patience and team work. The other is to industrialize the nation by 2020.

The "Look East" policy has already brought some results, speeding up Malaysia's development projects through increased foreign investment and technology transfer.

Malaysia has adopted the "Look East" policy, focusing on the need to learn from the cases of South Korea and Japan. In particular, it has been exerting efforts to catch up with the two East Asian countries in the area of IT.

As a result, Mahathir is planning to meet related officials including Information-Communications Minister Yang Seung-taik to discuss ways of expediting bilateral exchanges.

Yang is set to brief Mahathir on the local IT industry at a Seoul hotel, covering high speed Internet and code division multiple access (CDMA) method mobile phone service, as well as the government's attempt to set an electronic government.

The Malaysian government is seeking to press ahead with the selection of a company to handle its ambitious mobile phone project at the end of this month, inviting domestic enterprises to enter the CDMA market in the Southeast Asian nation.

Korea's accumulated investment in Malaysia as of the end of last year stood at US\$700 million while Malaysia's investment in Korea totaled US\$5.667 billion.

Cumulative construction orders obtained by Korean companies from Malaysia amounted to US\$7.5 billion as of the end of last year. Two-way trade reached US\$6.7 billion in 2001. Further, last year Korea imported US\$590 million

worth of liquefied natural gas, US\$569 million of crude oil and US\$239 million of timber from Malaysia.

Cooperation in automobile and IT industries is especially promising, as the two countries have made a head start in the two industries. Like Korea, Malaysia has, since 1995, concentrated on aggressively developing communications, computers and software industries. Due to these efforts, the nation is emerging as a

regional leader in these sectors.

The Malaysian government plans to spend US\$5.3 billion by 2005 to develop the Multimedia Super Corridor (MSC), and an information industrial complex in Kuala Lumpur.

Malaysia has diplomatic links with both South and North Korea. The North's Embassy in Kuala Lumpur is the communist country's major diplomatic post in Southeast Asia.★

"Traditionally, Korea and Malaysia Have Worked Together With a Common Vision Of Realizing Regional Cooperation," President Kim DJ

The following are excerpts from a statement by President Kim Dae-jung at an official dinner for Prime Minister Mahathir bin Mohamad of Malaysia, at Chenong Wa Dae on May 23, 2002. — Ed.

Since your inauguration in 1981, Malaysia has achieved breathtaking development, and that was only possible through your remarkable and dedicated leadership. Your Excellency's passion and down-to-earth leadership style transformed the limitless potential of the Malaysian people into reality, and consequently you have been accorded absolute respect and support from them. You have been at the helm of a transparent and efficient government, leading innovative efforts to restructure the national economy, to induce direct foreign investment and to help Malaysia sustain high annual growths.

Your Excellency's contributions to the international community are no less as demonstrated by your outstanding diplomatic capacity. You endeavored to integrate all 10 nations in Southeast Asia in the name of "ASEAN TEN." Moreover, the union of ASEAN and the three East Asian nations of Korea, China and Japan in ASEAN+Three could not have been possible without your wisdom that envisioned future cooperation among all East Asian nations.

I was also informed that one of your favorite pop songs is "My Way," and I thought what other words could better describe your beliefs and self-esteem that led to the stability and prosperity of Malaysia today. This certainly is cause for praise and respect that come from the bottom of my heart.

Korea and Malaysia are partners who are important to each other and who will benefit from substantive cooperation. Since Your Excellency initiated Malaysia's Eastward Policy, "Look East", the cooperative relationship between Seoul and Kuala Lumpur has made rapid progress. In 1995, our two nations became the tenth most important trading partners to each other, and in the process, the abundance of natural resources of

Malaysia and the superior construction engineering of Korea infused a definite synergy into the development of bilateral collaboration.

There is limitless room for bilateral cooperation in the years to come. What makes the prospect so promising, among other things, is the mutually complementary structure of the two economies. Presently, both countries have established strategic plans for national development in the 21st Century with an important focus on information and knowledge industries. Based on both the complementary structure and common emphasis on certain sectors of the economy, the two countries should boost cooperation in all areas, including construction, information technology, trade and investment.

Traditionally, Korea and Malaysia have worked together with a common vision of realizing regional cooperation among all East Asian nations. By promoting close cooperation within the bigger framework of East Asia, rather than within the limits of Southeast Asia and Northeast Asia, all peoples in the region will be assured of stability and common prosperity in the future. I certainly hope that our two countries will continue to cooperate without wavering for the goal of regional cooperation among all East Asian nations.

I would also like to take this opportunity to stress the importance of maintaining peace on the Korean Peninsula. The reason is that peace on the peninsula is directly linked with the peace and stability of the entire East Asian region. Your Excellency and the Malaysian Government have graciously and consistently supported our Sunshine Policy aimed at accomplishing peaceful coexistence and exchanges between South and North Korea.

As recently as last March, Your Excellency urged Kim Yong Nam, the chairman of the Presidium of the North Korean Supreme People's Assembly, to resume dialogue with the South when the latter visited Malaysia, and this certainly gave us great encouragement. I am grateful for Your Excellency's support as I ask for your continuing cooperation and encouragement in this regard. ★