

THE OFFICIAL DINNER GIVEN IN HIS HONOUR BY THE HONOURABLE MR. KURT FURGLER, VICE PRESIDENT AND MINISTER OF THE PUBLIC ECONOMY OF SWITZERLAND

25 JANUARY 1984

May I, on behalf of my wife and members of my delegation thank Your Excellency, the Government and the people of Switzerland for the warm and friendly welcome and generous hospitality extended to us since our arrival in your beautiful country this morning. I would also like to thank you for the kind remarks which you have just made. Let me say how happy we are to have this opportunity of visiting Switzerland at Your Excellency's kind invitation.

2. My visit has given me the opportunity to hold fruitful discussions with you and to have useful exchange of views on matters affecting our bilateral relations. I am glad to say that we both share a common desire to see the expansion of these relations to serve our mutual interests and it is my earnest hope that my visit here will contribute towards the strengthening of the bonds of friendship and close ties that already exist between our two countries.

3. Bilateral relations between Malaysia and Switzerland has been for a long time warm and cordial. Since our two countries established diplomatic relations, we have witnessed the development of bilateral cooperation that has remained free of friction and differences. I am certain you will agree if I add that I can foresee no problems developing between us in the future. I believe therefore that we are in an excellent position to boost the development of our relations further in an even wider variety of fields. On our part, Malaysia has established its Embassy in Berne in April 1980 as a manifestation of our desire to promote further our bilateral cooperation. The presence of our embassies in each other's capitals will bring about greater understanding and awareness between our two peoples.

4. Our relations have been closest in the economic field, particularly in investment. Switzerland possesses the technological know-how, capital, a disciplined work force and a liberal investment policy. We note with admiration the success of Switzerland in her developmental and industrialisation efforts which has made her one of the prosperous countries in Europe and the world. At present Switzerland is among the more important investors in Malaysia. I am convinced that there is even greater scope for the expansion of Swiss investment in Malaysia and for

this reason we have established an office of the Malaysian Industrial Development Authority in Berne in 1982. I hope that the establishment of this office will generate an even greater awareness among Swiss investors of investment opportunities available in Malaysia.

5. It is through forging closer economic links with other countries that each of us can weather safely the current economic recession that is afflicting developed and developing countries alike for some years now. This prolonged economic recession has affected all countries. Their economic predicament was further aggravated by the impact of a rising tide of protectionism, obstructions to free trade, wild exchange rates, manipulated commodity prices and high interests on loans. These negative practices have adversely affected the economic performance of developed and developing countries alike, although it is those countries having so little to start with that have suffered most. At the least, developing countries have seen their efforts to accelerate their economic development greatly hampered.

6. The global economic recession and recovery are subjects of important debates and discussions today. While multilateral talks and negotiations can be useful in promoting mutual understanding of common economic problems, there must be recognition that economic recovery hinges on resolute actions to change short-sighted policies and practices, painful as they must be. It is in the interests of the developed countries, as much as the developing countries, that we need to reverse present trade policies and join forces in a concerted effort to create a new order for international trade and finance.

7. Malaysia is monitoring closely the latest developments in the world economy. While Malaysia is happy to note that evident signs of economic recovery are gradually taking shape in one or two industrialised countries, Malaysia, however, feels that it should not be a cause for rejoicing as yet. The global economic situation is still in a precarious position. The impact of economic recovery will only become meaningful and effective when the major problems of high interests rates, wild exchange rate, manipulated commodity prices, rising protectionism and accessibility of markets are resolved to the mutual benefits of both the developed and the developing countries.

8. One of the major causes of concern to Europe and the world at present is the deteriorating East-West relations which has been precipitated by the crisis over the deployment of nuclear missiles in West Europe. All countries had been witnessing with concern the stalemate in negotiations between the two superpowers that led to the collapse of the intermediate nuclear

forces talks in Geneva. Subsequently, the remaining two negotiations, that is the START talks, also in Geneva, and the MBFR talks in Vienna, were also suspended. Malaysia joins other countries in the world in expressing serious concern at the suspension of these talks which left both superpowers without any channel to meet and negotiate on what is essentially the question of world security. We earnestly hope for the success of the conference on confidence building measures and disarmament that commenced about one week ago in Stockholm. Negotiations on difficult issues will of necessity require time, but we hope that all parties concerned will persevere to achieve at least the building of bridges between the two sides. We hope also that the Stockholm conference will generate enough goodwill for the two superpowers to resume their talks on arms reduction and disarmament.

9. Malaysia is aware of the useful and constructive role played by Switzerland and the other neutral countries of Europe in making the convening of the Stockholm conference possible. It is encouraging to note that small countries of the world have a useful role to play in enabling negotiations on a vital global issue to continue. Perhaps it is precisely because we are small that we can see more clearly the urgent need for compromise and the promotion of mutual understanding.

10. In our own region, Malaysia is fully committed to regional cooperation as manifested in the Association of South East Asian Nations, or ASEAN. I am happy to say that since its inception, ASEAN has made remarkable success in fostering closer cooperation between its member states in the economic, cultural, social and educational fields. ASEAN has also succeeded in instituting useful dialogues with partner countries like the USA, Japan, Canada, the EEC, New Zealand and Australia. In our efforts to create in our region a system of peace and stability, ASEAN proposes the establishment of a Zone of Peace, Freedom and neutrality in South East Asia. We are determined to work towards this goal, because we strongly believe that only through peace and stability can we achieve economic progress for all the peoples and countries of our region. In this regard we note with satisfaction the support the Swiss Government has given us in our efforts to establish in South East Asia a Zone of Peace, Freedom and Neutrality.

11. Allow me once again Your Excellency to say how happy I am to be in your country and to express my sincere gratitude and appreciation for the warm and friendly reception given to us.

12. Honourable Ministers, Excellencies, Ladies and Gentlemen, may I invite you to rise and join me in a toast to the good health of His

Excellencies the President of the Swiss Confederation and Madame Schlumpf, the Vice-President of the Swiss Confederation and Madame Furgler, the Government and people of the Swiss Confederation and the good relations between our two countries.