

THE INAUGURAL DINNER OF THE MALAYSIAN-BRITISH SOCIETY
HILTON HOTEL, KUALA LUMPUR

18 SEPTEMBER 1984

Yang Amat Berbahagia Tun Ismail Ali, President of the Malaysian-British Society; His Excellency Lord Richardson, President of the British-Malaysian Society; Distinguished guests; Ladies and gentlemen.

My wife and I are delighted to be present here this evening at the Inaugural Dinner of the Malaysian-British Society and to join members of the Society in welcoming members of the British-Malaysian Society who are also here for this occasion together with their President. Although the twin societies are formed 27 years after Malaysia's independence I still feel that congratulations are in order. The two societies will no doubt help in building better understanding and friendship between the two countries and peoples. There is much to be gained by both sides from understanding each other and generating friendly relations.

2. When I accepted a dinner invitation by Mrs. Thatcher during a private visit to Britain in March 1983, I did not think that it would lead to anything substantial. However, I found the British Prime Minister was sincere in her desire for better relations with Malaysia. The least that Malaysia could do is to reciprocate. So when I was asked what I thought about the setting up of the British-Malaysian and Malaysian-British Societies, I was happy to give the idea my support.

3. The setting up of these societies reflects, it seems to me, the concern of the community both in Malaysia and Britain, particularly those who have business dealings in each other's country, for the promotion of close and harmonious relations between the two countries. I would therefore commend this private sector initiative and fully support the objectives of the two Societies. I did persuade Tun Ismail to head the Malaysian body when he consulted me on the proposal to set it up, since I knew that he has many friends in the City of London. I am not sure whether it was by design or sheer coincidence that both Societies are headed by former Central Bank Governors. As you know, both Tun Ismail and Lord Richardson are men of few words, but they have established a reputation for getting things done. I am confident that under their leadership and guidance, the two Societies will play a dynamic role in fostering friendship and promoting better cultural, educational, economic and trade relations between Malaysia and Britain.

4. It is heartening to learn that meetings were held yesterday between members of both Societies and the General Councils. I understand the discussions were frank and fruitful, and areas of cooperation including investment opportunities, training and transfer of technology had been examined and programmes were outlined for future action. Ladies and Gentlemen,

5. Malaysia welcomes Britain's growing interest in Malaysia as shown by the number of visits made by British leaders and personalities in the past year. Last October we had the occasion to welcome Lord Jellicoe, Chairman of the British Board of Trade. We also met His Royal Highness The Duke of Edinburgh who visited Kuala Lumpur late last year in his capacity as President of The World Wildlife Fund. Mr. Richardson, the Minister of State for Foreign and Commonwealth Affairs, arrived in February this year for discussions on various issues of mutual interest with our leaders. Mr. Kenneth Baker, Minister of State for Industry and Technology Information, Lord Bellwin, Minister of State for Environment and Admiral Sir William Stavelly paid official visits to Malaysia and had wide-ranging discussions with their counterparts on specific fields of cooperation. Just over a week ago, Mr. Edward Heath was in Kuala Lumpur for a short visit. Mrs. Thatcher would have been with us tonight but for the unfortunate problems that require her presence in Britain. These contacts and consultations augur well for bilateral cooperation both for now and the future. The continuance of such contacts should serve to further consolidate the close ties between our two countries.

6. Malaysia has benefitted greatly from the assistance given by the British Government, particularly in the field of technology and industrial cooperation. Britain is today one of Malaysia's largest sources of capital investment inflow into our manufacturing sector, ranking second only to Singapore.

Ladies and Gentlemen,

7. We appreciate the steps that have been taken to alleviate the hardships faced by our students in the United Kingdom and we welcome the move by the British Government and private institutions, to provide scholarships and awards in various fields at both graduate and post-graduate levels. It is with great interest too, that I note the initiative taken by both sides to develop strong ties between our respective colleges and universities. The Brighton Polytechnic and the University of Sussex, together with the University of Malaya, Universiti Teknologi Malaysia and the Institut Teknologi MARA are involved in this effort. We will need more such ties in the future as Malaysia intends to reduce the burden of other countries for

university places by conducting the first and second year courses as well as pre-university training within the country. Foreign associated universities could then provide teachers and recognise the courses.

8. While I am happy to recognise the positive contributions of the British Government as well as the business community towards meeting the aspirations of the New Economic Policy, I learn with regret that there has been very little change in Malaysia's share of the British market for many years. Britain ranks only as the sixth largest trading partner amounting to about 3% of Malaysia's total trade compared with nearly 8% ten years ago. Similarly the importance of Malaysia as Britain's trading partner has also declined over the years, with Malaysia accounting for less than 0.5% of Britain's total trade compared with 5% a decade ago. I am deeply concerned about this state of affairs, bearing in mind that the balance of trade with Britain has never been in our favour.

9. You will no doubt agree with me that we must not allow such a situation to persist, for if it continues, it will only negate all the efforts we have put in together to consolidate and strengthen our relations. The sooner we find a solution to the problem of trade imbalance, the sooner can we concentrate on other areas of cooperation. I hope that both Societies will give this important issue due consideration in their future deliberations.

10. Lastly on behalf of my wife, I would like to thank the President, General Council and members of the Malaysian-British Society for inviting us to this very special occasion. I now have great pleasure in formally inaugurating the Malaysian-British Society, and wish it well in its efforts to promote better relations between Malaysia and Britain.

Thank you.