

**THE STATE DINNER IN HIS HONOUR HOSTED BY H.E. ALBERT
REYNOLDS PRIME MINISTER OF IRELAND
DUBLIN, 22 SEPTEMBER 1992**

Your Excellency Prime Minister Reynolds and Mrs. Reynolds; Excellencies;
Ladies and Gentlemen,

On behalf of my wife and members of my delegation, I would like to sincerely thank you, Mr. Prime Minister and Mrs. Reynolds, for the very warm welcome and kind hospitality extended to us since our arrival this morning. The friendliness and cordiality convince us that our visit to your fair country will be enjoyable and fruitful. We look forward to seeing more of your beautiful country in the next few days.

Mr. Prime Minister,

2. Relations between Malaysia and Ireland have generally been warm and friendly. I do not recall any instance in the past when our two countries faced any bilateral problems, and neither are there any contentious issues facing us now. Many Malaysians are quite familiar with your country and would have read a little of your history, more of your folklore and generally aware of things Irish. We hope you also know us, just as we know you.

3. Despite this relationship between our two countries, it is also essentially passive. We are like two neighbours who have been on talking terms for a long time, but whose friendship had never gone beyond cordial acquaintanceship. In an era when ideology is taking a backseat in relations between countries, and cooperation is the norm for the future, I am certain that you agree with me that it is timely to stimulate more interaction between our two countries and place our bilateral relations on much stronger footing.

4. We have had fruitful discussions this afternoon, and both sides had the opportunity to exchange views on the state of our bilateral relations. I am pleased that generally we are in agreement as to the potentials of expanding the scope and depth of our relations. Since the major thrust of our relations is currently limited to trade and the education sector, a healthy expansion in these and others fields should be attainable fairly rapidly. I am confident that we will be able to identify more clearly these areas during the next few days of my visit. The recent joint-venture project between Asia Pacific Refinery Malaysia and the Kent Group of Ireland to build a petrochemical complex in the state of Trengganu represents a major step forward in the development of economic relations between Malaysia and Ireland. At the same time, Malaysian companies should look more closely at the advantages of locating their projects in Ireland.

5. Malaysia is a developing country with a relatively small economy. Although our objective is to achieve a developed nation status by the year 2020, we are determined that rapid economic development and modernisation will not be at the expense of our national identity and traditional values. We have a long way to go, but we are confident that it is within our ability to achieve "Vision 2020".

Malaysia's growth of more than 8 per cent in real Gross Domestic Product for the past 5 years and 6.7 per cent in the last 20 years are the bases of this confidence.

6. Such growth rates are dependent on several factors. Firstly, there has to be domestic and regional peace and security. Our domestic situation is presently very conducive for economic advancement, and Malaysians are well aware that this had not always been so. With regard to the region of Southeast Asia, Malaysia is fortunate that its neighbours share similar objectives for their respective economies. We therefore cooperate within ASEAN, and to an increasing degree among other Southeast Asian countries as well, to maintain a positive security and strategic environment in our region. Our closest friends are our neighbours and the consequent trust and confidence that have been carefully nurtured make for productive relations in ever-widening fields.

7. As a small economy heavily anchored on trade, Malaysia's route to economic development is dependent on our commitment to the maintenance of free trade with other economies in the world. For us, the existence of a free and open international trading system is crucial. It has therefore been of major concern to us to witness the gradual formation of regional economic groupings that show all the signs of coalescing into trade blocs. The European Community itself is slowly moving towards economic independence from the rest of the world, no matter that the progress towards this end is being complicated by developments within the Community itself, or in the larger European theatre. Across the Atlantic, we now have the North American Free Trade Agreement, presently involving the US, Canada and Mexico but with the possibility of other Latin American countries joining in.

8. The European Community and North America are important trading and investment partners of Malaysia and other ASEAN members. We are concerned that the growth of such exclusionist tendencies will create new currents that will artificially restrict free trade only within regulated boundaries. Such protectionism will impede the development of a liberal world trading system that is consistent with the principles of a free market economy. It will restrict economic growth everywhere including in the blocs themselves.

9. These developments, as well as other non-tariff barriers, threaten to hamper our own development plans. We are particularly vulnerable because we are small and developing. It is for this reason that the countries of ASEAN have proposed the formation of the East Asia Economic Caucus that would bring them and other dynamic economies of East Asia together. The Caucus will not be a trade bloc because all these countries depend on trade and economic relations with other parts of the world. It is meant to strengthen the voice of free trade by augmenting the voice of the small states through collective stands on common issues when negotiating internationally.

Mr. Prime Minister,

10. The foregoing serves to underline the fact that small countries on their own

can have their interests drowned by stronger and more developed countries. One does not need to look back into history for lessons to illustrate the reality that small countries are expendable, especially when their fate has no bearing on the well-being of bigger nations. It is therefore imperative that we as small countries cooperate and strengthen further our ties even if we belong to different regional organisations.

Mr. Prime Minister,

11. May I, once again, thank you for your kind hospitality and for receiving us with such warmth.

12. May I now invite you to join me in a toast to the President and the people of Ireland and to the continuing friendship between Malaysia and Ireland.