

THE OFFICIAL DINNER IN HONOUR OF HIS EXCELLENCY MR KIICHI MIYAZAWA PRIME MINISTER OF JAPAN

SRI PERDANA, KUALA LUMPUR, 14 January 1993

May I, on behalf of the people of Malaysia and on my own behalf, extend a warm welcome to Your Excellency and distinguished members of your delegation to Malaysia. We feel deeply honoured by your visit which reflects the close ties of friendship and cooperation that exist between Malaysia and Japan. The discussion and exchange of views we had this morning on bilateral and international issues of common interest will no doubt enhance our understanding of each other and contribute to closer relations between our two countries.

2. We in Malaysia hold Japan in high esteem and admiration for its success in rebuilding itself from the ashes of the Second World War and emerging today as the leading economic power in the world. The achievement of Japan, a country with few natural resources, is attributable to a number of factors, not the least of which are the hard work, discipline and the high sense of motivation of the Japanese people. Today, Japan is able to share its resources to assist developing countries. Developing countries in Asia in particular, including Malaysia, have benefitted greatly from Japan's economic and technical assistance. The economic linkages that developed over the years have made Japan Malaysia's foremost trading partner and investor. May I, therefore, take this opportunity to thank you, Mr. Prime Minister, and through you the government and people of Japan for the support and cooperation that have been extended to Malaysia.

3. In spite of the progress we have achieved over the years, Malaysia today remains a developing country. Our objective is to work towards becoming a developed country by the year 2020. In our quest for the fulfilment of this vision, we will continue to require access to capital, technology and market in the developed countries.

4. In an increasingly interdependent world, Malaysia had proposed the formation of the East Asia Economic Caucus. There is a tendency to think of regional groupings as a trade bloc. I would like to point out that ASEAN, one of the most successful regional groupings has been around for almost a quarter of a century without becoming a trade bloc. The ASEAN countries individually and collectively have remained opened to trade with the rest of the world. Yet the ASEAN countries have uniformly prospered. What I wish to point out is that regional groups need not become trade blocs in order to benefit from the grouping.

5. The idea of the EAEC was prompted by our ASEAN experience. It is not a trade bloc. It is to be a mere forum of countries in close geographical proximity which also happen to have common economic ambitions. Very often they are faced with common problems, as for example at the Uruguay Rounds of the General Agreement on Tariff and Trade. By acting separately they have not been able to influence the decision taken at such international trade talks. Quite obviously if they had taken a common stand and spoken with one voice, it would be difficult for the international community to ignore their common views. Since all the East Asian countries are trading nations, much dependent on a free trading system, they would be able to help preserve free trade and combat protectionism. A forum consisting of the countries of East Asia would enable them to come together to discuss these common problems and to decide on their common stand. The EAEC can be such a forum.

6. Presently Japan is the only East Asian country to be a member of the powerful group of seven nations. Japan recognises that the decisions taken by the Group of Seven can affect the economic well-being of the countries of East Asia. Accordingly, Japanese Prime Ministers have made it a practice to get the views of East Asian countries prior to attending a meeting of the Group.

7. This is very welcome. But since the views were given without prior consultation between the East Asian nations, it is more than likely that conflicting views will be expressed. The subjects too may differ. As a result Japanese interventions at the group's meeting would be not as effective.

8. How much better and how much more representative Japan would be if prior to attending the G-7 meeting, a meeting of the East Asian countries is held and the most important common problem identified and a consensual stand arrived at. The Japanese Prime Minister would then be able to represent the East Asian countries more forcefully. This again should prove the usefulness of the EAEC.

9. Finally, as with the ASEAN countries, the countries belonging to the EAEC are bound to learn from each other the right approach to economic development. More than that they can help each other through investments and access to each others' markets. In the end, without ever closing their markets to trade with the rest of the world, the members of the EAEC are bound to prosper. Indeed, even now the process of learning from each other has yielded results. How much more successful will their development be if they sit around a table to discuss ways and means to help each other and to promote intra-regional trade.

10. We fully appreciate Japan's position. I merely want to explain that the EAEC is not a trade bloc. It is only a regional forum.

11. It is a matter of great pride to us that many ASEAN countries including Malaysia, are now able to provide assistance to and share their experiences with our other neighbours in Southeast Asia, now recovering from years of conflict and economic stagnation. We believe that helping these countries in their economic reconstruction and development and bringing them into the mainstream of Southeast Asian economic life through closer association with, if not membership of ASEAN itself, would contribute to the peace and stability of the entire region. Since assistance from the ASEAN countries alone would be rather limited, Japan's participation in the reconstruction of the states of Indo-China would make a valuable contribution to the peace and stability of the region.

12. The decision of the Japanese Government to send its troops on peace-keeping mission to Cambodia under the United Nations' auspices was indeed historic. Malaysia wholeheartedly welcomes the decision and hopes that Japan would participate fully in the peace-keeping activities of the United Nations.

13. During this short visit to our country, you would not fail to see the goodwill and admiration of the Malaysian people towards Japan. This is a feeling built over years of close cooperation and understanding between our two countries. Let us continue to build on this relationship and expand our cooperation into a strong and durable partnership that is mutually enriching.

14. We wish you and members of your delegation a pleasant and enjoyable stay in this country and hope that you will bring home with you favourable impressions about Malaysia.