

SPEECH BY: DATO' SERI DR. MAHATHIR BIN MOHAMAD
(PRIME MINISTER)

EVENT: AT THE OFFICIAL DINNER GIVEN IN HIS HONOUR BY HIS EXCELLENCY
THE PRIME MINISTER OF JAPAN MR. YASUHIRO NAKASONE

VENUE: THE OFFICIAL RESIDENCE OF THE JAPANESE P.M., IN TOKYO

DATE: 24 JAN 1983

TIME:

Your Excellency Prime Minister Nakasone,
Mrs. Nakasone,
Your Excellencies,
Ladies and Gentlemen.

On behalf of my wife and the members of my delegation,
I would like to say how very happy we are to be here in
Japan and to thank you Mr. Prime Minister, the Government
and people of Japan, for the warm and friendly welcome that
has been extended to us since our arrival yesterday. I
would also like to thank you for this splendid dinner and
for your very kind remarks.

2. Mr. Prime Minister, I deeply appreciate your readiness
to receive me despite your very tight and busy schedule so
soon following your recent election to the high office of
the President of the Liberal Democratic Party and the Prime
Minister. As a new leader, you have much to concern
yourself with both the domestic as well as the international
fronts. I have no doubt that a man of your calibre,
experience and tenacity, having had 37 long years of active
and varied service will have no difficulty in successfully
carrying out your heavy duties and responsibilities.

3. We already had the opportunity this morning to share
some of our thoughts on a number of subjects. I am happy to
note that we share a common desire that relations between
our two countries, which have always been close and
friendly, be further expanded and strengthened to our mutual
benefit.

4. There have been frequent consultations and close
collaboration between Malaysia and Japan in the political as
well as economic fields on the bilateral, regional and
international levels. Bilaterally, I am appreciative of the
assistance extended to Malaysia in our development efforts,
and I am very happy that in our discussions this morning you
have shown your readiness and sincerity to further assist us
in the future. At the regional level, Malaysia as a member
of ASEAN, has also derived various benefits from the
ASEAN-Japan cooperation. On the international plane, we are

mindful of Japan's support for the aspirations of the developing countries to effect structural changes to the present outmoded and unequal system of international economic relations and of her active role in the North-South dialogue.

Mr. Prime Minister,

5. Japan is Malaysia's biggest trading partner. The annual trading volume between the two countries has reached more than US\$5,351 million in 1981 and is expected to increase further annually. Japan is also the biggest foreign investor in Malaysia. We are naturally very happy that Japan is cooperating closely with Malaysia's industrialisation programme. I have no doubt that the benefit of such cooperation would be mutual. We, therefore, would welcome more Japanese investment in Malaysia.

6. With industrialisation there has also to be a market for the products manufactured. Japan can and must help to open up its market to more value-added and manufactured goods coming from Malaysia and for that matter developing countries in general. This is a major problem. Given the growing relationship between our two countries, it is almost inevitable that problems arise from time to time. I am confident, however, that increased mutual understanding would enable us to resolve any problem amicably.

Mr. Prime Minister,

7. The present international economic situation is indeed going through its most difficult period, since the depression of the 1930s. All countries of the world are adversely affected by the current recession. The countries that are most badly affected are the developing countries of which Malaysia is no exception. As a result of this recession, commodity prices have slumped to rock bottom and Malaysia which is the leading producer of a number of important raw materials such as rubber, tin, palm oil and tropical timber, is hard hit as a result of greatly reduced export earnings. Consequently Malaysia's development projects have also been affected. It is in this area that we need the cooperation and understanding of our friends to help us tide over the shortfall in our revenue, so that our development projects can go on in order to maintain our political and economic stability which will itself enhance peace and stability in our region.

8. Japan is one of the most advanced countries in the world. It is the second largest economy in the Free World accounting for 10 per cent of the world economic output. It has been successful where many others have failed. Even during this period of prolonged world recession, Japan has managed to register GNP growth rates that is envied by other developed countries, some of which have recorded minus growth. This success story can only be attributed to the positive attitude of the Japanese people toward their work,

that is, their sense of commitment and ever willingness to work. That is why I have asked Malaysians to "Look East" and to learn from Japan. We have all this time been looking to the West, perhaps through the accident of history. Now we would like to have a more balanced relationship between the West and the East. It is not so much your level of material wealth and advanced technology that we are after. What I have been exhorting is for Malaysians to emulate the Japanese in their work ethics and attitudes and their management system which, I think, is the main factor in Japan's rapid development and industrialisation.

9. In line with this thinking we have decided, with your leave, to send to Japan more students to study in Japanese institutions of higher learning as well as more trainees to be attached to Japanese industrial organisations where they can observe for themselves and draw inspiration from the Japanese work ethics and attitudes at close quarters. Last September the first batch of trainees had already arrived in Japan and more will follow in their wake. This programme, of course, would not be possible without the all round support and cooperation we are getting from you for which we are most appreciative. We hope that Japan will continue to extend such cooperation to us in the future. The benefit of such cooperation will not only accrue to Malaysians but to the Japanese as well, for together we would be laying the foundation for an enduring and meaningful relationship between our two countries and peoples.

Mr. Prime Minister,

10. Malaysia's commitment is to improve the quality of life of Malaysians. We can achieve this goal faster if our resources are utilised productively. For this reason, we would like to see the early return of peaceful and stable conditions to Southeast Asia so that we could devote ourselves first and foremost to the pursuit of development and in so doing increase our resilience. Malaysia and its other partners in ASEAN have made it very clear that we cannot and will not accept foreign military intervention in Kampuchea or elsewhere as a means of settling problems. The continuing foreign occupation of Kampuchea has resulted in big power involvement in Southeast Asia, thereby undermining the peace and stability of the region and indeed threatening world peace and security. The Kampuchean issue must be resolved quickly in accordance with the Declaration of the International Conference on Kampuchea and other relevant United Nations resolutions that have been endorsed and supported by the international community. In other words, the violation of Kampuchea's sovereignty and territorial integrity must be ended through the complete withdrawal of foreign military forces and the Kampuchean people be allowed the right to freely determine their future. Malaysia welcomes the establishment of the coalition government of Democratic Kampuchea under the Presidency of His Highness Prince Norodom Sihanouk as a positive step towards the peaceful resolution of the Kampuchean question. We are

grateful to Japan for its continuing support on the matter. We hope that Japan will do all it can to help the Coalition Government of Prince Sihanouk so that peace and stability can return once more to our region which will enable the realisation of a Zone of Peace, Freedom and Neutrality for Southeast Asia.

Your Excellencies, Ladies and Gentlemen,

11. May I now ask you all to join me in a toast to the health and happiness of His Excellency Prime Minister Yasuhiro Nakasone and Mrs. Nakasone, and to the Government and people of Japan and to the close friendship between our two governments and peoples.