

SPEECH BY: Dato' Seri Dr. Mahathir bin Mohamad
(Prime Minister)

EVENT: The Official Dinner Hosted By H.E. President Carlos Menem
President of Argentina

VENUE: Buneos Aires, Argentina

DATE: 03 Oct 1997

TIME:

1. It is a great pleasure to be in Argentina again. This is my fourth visit to this dynamic and fascinating country. It was not so long ago that Argentina was in the midst of a severe crisis brought on by the so-called tequila effect. I know that you went through some difficult times. But today, it is clear that Argentina is once again set on a path of high economic growth. There is much fascination in the global market place today about Argentina and its future prospects. So Mr. President, allow me to salute you and the people of this great nation for your grit and determination and for your wisdom in turning great challenges into great opportunities.

2. I am delighted to note that since your first visit to Malaysia in 1990 to attend the summit meeting of the leaders of the Group of Fifteen, our relations have grown significantly. Out trade has increased by more than 100 percent. Malaysian and Argentinean companies now invest and participate in infrastructure and other projects in each other's countries. More Malaysians and Argentineans now visit each other than ever before, thanks to the air bridge established by Malaysia's national carrier with the strong support of your administration. Admittedly, much more needs to be done. I am confident however that the momentum that has been established, especially by our private sector, will result in ever increasing tangible benefits to both our nations.

3. As you have noted, there is also a multilateral context to this occasion. At the initiative of Argentina, businessmen from the ASEAN and MERCOSUR countries met today for the first time to discuss possible structure for future cooperation. I wish to congratulate you, Mr. President for this timely and important initiative to bring our businessmen together.

4. ASEAN has a population of 480 million and a GDP of over 711 billion dollars. MERCOSUR has a population of 200 million and a combined GDP of over one trillion dollars. Yet in 1995, our total trade was only a little more than three billion dollars, representing just 0.4

percent of ASEAN's total trade and 0.2 percent of MERCOSUR's total trade. Given the fact that our two regions possess vast technological skills, highly competitive industries, bountiful natural resources and rich agricultural lands and increasingly prosperous consumers, there is no reason why we cannot achieve at least a doubling of inter-regional trade and investments in the next few years.

5. It is worth remembering that together the ASEAN and MERCOSUR countries produce everything from jet planes and power turbines to meat and vegetable oil. That there is no greater economic interaction between our two regions is simply because we have perceived ourselves as being too far away, too separated by historical and cultural barriers. We have bought into the notion that there is little money to be made in trading with and investing in the economies of the South, despite the fact that the north has always been trading with the South and apparently profits from it.

6. It is time for us to awake to the new reality of our potential as trade and business partners. It is time for a more concerted inter-regional efforts to seek out new opportunities and new markets in our respective regions. We must build on the pioneering efforts of such companies as ICTSI of the Philippines, IMPSA of Argentina, and PETRONAS and IJM of Malaysia who have demonstrated that there are profits to be made and opportunities to be had in our respective regions.

7. And so I am delighted that our businessmen have begun, at your initiative, Mr. President, to build new bridges of economic cooperation. I have no doubt that it will prove to be a mutually beneficial relationship. From my many meetings with the leaders of both regions, and as you have just heard from President Menem, I can assure all the businessmen here today that there is strong political commitment supporting your efforts at closer economic interaction. And I urge you to give us feedback as to what we can do to further assist you as you seek to enhance business between our two regions.

8. Before I end, please allow me to thank you, on behalf of my delegation, for your hospitality and kindness in receiving us. I feel certain that all my colleagues from the ASEAN countries would also want me to express to you and to your government our appreciation for your initiative in bringing businessmen from ASEAN and the MERCOSUR together.