

SPEECH BY THE PRIME MINISTER AT THE DINNER IN HIS HONOUR BY HIS EXCELLENCY PRESIDENT PARK CHUNG HEE OF THE REPUBLIC OF KOREA, SEOUL ON 18TH JULY, 1979.

Mr. President,

The members of my delegation and I are very happy to be in your great country. To most of us, this is our first visit. We are very touched by the kindness, hospitality and warmth with which we have been received by *your* Government and people.

This evening, you and your charming daughter do us a great honour in inviting us to this dinner. This afternoon, you decorated me with one of your country's highest awards. This honour is not only for me, but for my country as well.

My visit to the Republic of Korea is in part, a visit of goodwill to strengthen the already close and very friendly relations that exist between our two countries. Since we established diplomatic relations in the early sixties, the goodwill and friendship between us have been further strengthened by the visit of our former Prime Minister, Tunku Abdul Rahman, in April 1965, and Your Excellency's own visit to Malaysia in February, 1966. In 1969, our head of state His Majesty The Yang Di-Pertuan Agong, paid a state visit to the Republic of Korea. Since then our good relations have developed further through more exchanges of visits by Ministers and officials. To-day, I can happily say that there is close co-operation between our two countries in trade, economic, technical, social and cultural fields.

The other reason for my visit is that I have heard a great deal about the phenomenal success your country has achieved in development and modernisation. In fact, the rates for economic growth and industrial development are most impressive. Your excellency's government has transformed the base of the country's economy from agriculture to industry. At the same time, through your own very vigorous export drives, manufactured products have assumed very great importance, accounting for 89% of the commodity exports in 1977 compared with only 14% in 1960. This is indeed a success story which other developing countries including Malaysia, should learn. The fact that you have been able to achieve this impressive record with scarce natural resources makes your achievement even more remarkable.

Having seen a little of your country and visited the Chang Won Industrial Estate yesterday, I can well appreciate the factors which contribute towards your success. The secret I believe lies in the dedication, the drive, the determination and the discipline of the people themselves. What is even more admirable is that you have been able to achieve great progress without sacrificing your national heritage and cultural values. This is again something of which you can be truly proud.

In Malaysia, we too are making strenuous efforts to reach the goals of the Third Malaysia Plan. The Mid-Term Review of the plan was completed recently and so far we have been able to achieve most of the targets. We are determined to ensure the success of the plan. It calls for the total involvement of the people, the private sector and the Government. Although our resource-based economy is very much influenced by outside economic factors, I am confident that we can achieve success.

A major problem facing Malaysia as it reaches a higher level of growth is undoubtedly the access of her manufactured and semimanufactured products to the markets of the developed countries. I am sure this is a problem which is also faced by your country. Our products have to face tariff walls, quotas and other protectionist measures imposed by the industrialised countries. Their concern is more to curb unemployment, inflation and protect their less efficient industries which could well be relocated, in developing countries. The talk of an interdependent world, in which there should be close cooperation between countries rich in resources and industrial and technologically-advanced countries, has never seriously been put into practice. Whatever concessions the developed countries have given, have been made grudgingly and these have largely been nullified by their protectionist measures.

In such circumstances, the time has come, I believe when the developing countries should look to each other more than has been done in the past. There are those amongst us which are more technologically advanced than the others. The Republic of Korea is an example. Their expertise and technology would have more relevance, in many cases, to the needs and requirements of the other countries than those obtainable from the developed countries. At the same time countries like Malaysia can provide, directly, resources needed by the others. In this way, we can build very fruitful and beneficial co-operative links without being heavily dependent on the industrialised countries. Malaysia would be happy to explore this possibility further with the Republic of Korea and indeed with the other countries as well.

The region in which both our countries are located has been described as the region of the future. In it lie those countries which have recorded the highest growth rates in Asia. There is therefore, all the more reason why we should strengthen our trade and economic links for mutual benefits while we continue to work towards an equitable system of trade with greater access to the markets of the developed countries.

This afternoon Your Excellency was kind enough to spare the time to discuss with me the general issue of peace, stability and economic development. There is no doubt that these issues are interlinked and inseparable. I also examined these questions in greater detail this morning with His Excellency, Prime Minister Choi. I have found that both our countries are motivated by the same desire for peace, stability and prosperity. It is a worthy goal for us to pursue and with firm conviction and determination. I am optimistic that our efforts will not be in vain.

Before I sit down, may I request the distinguished guests to rise and join me in a toast to the good health and success of His Excellency President Park Chung Hee, to the good health of the acting first lady, Miss Park Koun Hee, to the success of the Government of the 'Republic of Korea and to the continued prosperity of the people of this Great Country.