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Mahathir-Poverty

MOBILISE FINANCIAL RESOURCES, CALL TO ASIA-PACIFIC NATIONS

KUALA LUMPUR, Oct 13 (Bernama) -- Datuk Seri Dr Mahathir Mohamad today said the Asia-Pacific countries, in their efforts to eradicate poverty, should mobilise financial resources from within instead of relying on multilateral and bilateral donors.

The Prime Minister said it should be the first step towards the nations' self-reliance and gaining dignity for indigenous ways of generating funds.

"The indifference of the rich countries to our economic situation should motivate us enough to take the initiatives in looking into the potential of this region for alternative paths to sustainable progress," he said when opening the Regional Steering Committee on Economic Advancement of Rural and Island Women for Asia-Pacific (RSC-AP) Meeting here.

The RSC-AP, a network of advocates comprising first ladies, prominent women and wives of heads of government within the Asia Pacific region, is dedicated to eradicating poverty among women in a region noted for having the most number of poor households in the world.

Dr Mahathir said the nations of RSC-AP, collectively, could mobilise resources without the need to be overdependent on developed economies.

Dr Mahathir said one of the main constraints towards the realisation of poverty-free nations in the region was in financing the numerous poverty-focused Micro-Finance Institutions (MFI) in making them sustainable financial institutions that could really tackle massive rural poverty by increasing incomes and empowering rural women to improve their own lives.

He said experience had shown that international financial institutions which were expected to assist the poverty-focused MFIs had instead served the big financial institutions and foundations in the guise of assisting the poorest.

"The barriers which have acted as stumbling blocks to many countries in the Asia-Pacific region should be sufficient lessons for us to strengthen our resolve and commitment to establishing our own indigenous and small MFI -- friendly financial institutions," he said.

The RSC-AP funding proposal could be utilised as an alternative to those multilateral multi-donor international fund intended to assist the poor, he said.

Dr Mahathir said the banking sector, governments and MFIs should work together towards creating a supportive national policy framework for the creation of an environment for MFIs to be nurtured into financially viable and sustainable institutions.

The Prime Minister said the Amanah Ikhtiar Malaysia (AIM) was an example of a Malaysian institution that had successfully reached out to thousands of rural poor women.

To date, AIM which has an outreach of 47,000 poor households or half of the poverty households in Malaysia, had contributed more than RM20 million.

Dr Mahathir said the poverty reduction incidence in Malaysia from more than 70 per cent in 1969 to less than 10 per cent by the end of Sixth Malaysia Plan was a testimony of success of the progressive national and rural development efforts over the past four years.

The six-day RSC-AP meeting which started on Saturday is being attended by representatives of the 14-member body.

Also attending the meeting are the first ladies of Pakistan, India, Iran, Mongolia, Kyrgyzstan, Vietnam and Malaysia's Datin Seri Dr Siti

Hasmah Mohd Ali, who is also the Chairperson of RSC-AP.

The RSC-AP carries the mandate to advocate and mobilize resources to improve the living conditions of the "poorest of the poor" among the rural and island women. -- BERNAMA

RAZ AAM