

# PM: Allow developing countries to grow first

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By LOKMAN MANSOR

DEVELOPING economies must be allowed to grow before there can be any real reforms to overcome their internal problems, Prime Minister Datuk Seri Dr Mahathir Mohamad says.

He said there is no use for banking reforms and best practices, for example, if the banks have no money and there is no business to speak of.

"These can only come if there is growth, and if a certain degree of laxity is needed in order to achieve growth, then we should not be insisting on growth-strangling reforms," Dr Mahathir said when opening the Sixth International Conference on Pollution in Metropolitan Cities (Polmet 2000) in Kuala Lumpur yesterday.

The four-day Polmet conference, held for the first time outside Hong Kong and China, is organised by the Environmental Management and Research Association of Malaysia.

Dr Mahathir said for developing countries to grow, a lot more has to be done in terms of technology transfer, foreign direct investments and better terms of trade.

"These together with a new international financial regime will enable them to grow fast enough to overcome their internal problems. Of late there has been much talk about reforms being more important than growth. This is like putting

the cart before the horse," he added.

Dr Mahathir said the world's main environmental and development problem is the inequality between developing and industrial nations, in terms of resources, dominance in key international bodies, and use of the planet's ecological capital.

He said international economic relationships pose a particular problem for environmental management in many developing countries including Asia,

where agriculture, forestry, energy production and mining are major contributors to gross national product, employment, and exports.

"Most of these countries face enormous economic pressures, both international and domestic, to over exploit their environmental resource base."

He said many developing countries now have lower per capita incomes than in the early 1990s, and rising poverty and unemployment have put more pressure on

environmental resources as more people are forced to rely more directly on them.

Dr Mahathir said as a result, many governments have cut back efforts to protect the environment and to bring ecological considerations into development planning.

"Like our counterparts in much of the developing world, Asia as a region has the ability to make development sustainable. However, meeting essential needs requires not only a period of economic growth

for nations in which the majority are poor, but also an assurance that the poor get their fair share of the resources required to sustain growth," he said.

Dr Mahathir said in a region as vast and diverse as Asia, a uniform application of the sustainable development concept is neither possible nor desirable.

"Here, the levels of development, standards of living and extremes of poverty vary remarkably from one country to another. Sustainable development needs to be applied gradually in accordance with the ability of individual countries to cope, and with what each country perceives as appropriate," he said.

The Prime Minister said Asia can develop and revitalise the region based on its own ingenuity, wisdom, available resources, regional cooperation, hard work, and the virtues of Asian values.

"What I mean by Asian values is an absence of extreme individualism, a sense of responsibility for the community, a belief in strong families, a reverence for education, frugality, hard work, national team work, a social contract between the people and the state, moral wholesomeness, a free but responsible press, a belief in citizens as stakeholders, and last but not least, respect for the environment," he said.