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'Private sector contributed to strong economic growth'

By HAMISAH HAMID

MALAYSIA'S ability to rope in the private sector in its development programme has brought strong economic growth and reduced poverty, a United Nations Development Programme (UNDP) senior officer said.

New York-based UNDP associate administrator Zephirin Diabre said Malaysia's impressive economic growth was led by reforms in the government sector and strong participation by its private sector in nation-building.

"There are a lot of initiatives here to show the private sector's engagement in the country's development.

"Malaysia has lessons to contribute to the world," he told a news conference to launch the UNDP report on "Unleashing Entrepreneurship: Making Business Work for the Poor" in Kuala Lumpur yesterday.

Diabre is in Kuala Lumpur for a two-day Asia-Africa Trade and Investment Forum, which ends today. Also present was Kuala Lumpur-based UNDP resident representative for Malaysia, Singapore and Brunei, Richard Leete.

Diabre noted that the Malaysian Government is reaching out to poor countries in Africa by working with companies there in sectors such as oil and gas, construction and telecommunications. The Government is also providing training in various areas for these African states.

Leete said former Prime Minister Tun Dr Mahathir Mohamad had started the initiative and the current premier, Datuk Seri Abdullah Ahmad Badawi, was taking it further.

According to Diabre and Leete, Malaysia's domestic approach meets the recommendations in the UNDP's report, which emphasise expansion in private sector investment as the driver of economic growth that can reduce poverty; enabling environment for the small and medium-sized enterprises; private sector's capacity in contributing to development goals; and collaboration between all stakeholders - the Government, development institutions, private sector and civil society.

The report, presented to UN Secretary-General Kofi Annan on March 1, called for targeted policy reforms and initiatives to unleash the full economic and social potential of the small and mid-sized businesses employing and serving the world's poor.

Diabre said policy changes can be seen in Malaysia's development plans: in the 1960s, the emphasis was on public sector initiatives but later on, the five-year development plans incorporated the private sector's participation as a partner in the country's growth.

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