



## PRIME MINISTER GRO HARLEM BRUNDTLAND

### Environmental Seminar

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We often hear the following: As the 19th century belonged to Europe, the present belongs to North America and the next will belong to East Asia. Modern China and vast parts of East Asia are within the span of a generation emerging from the rank of the poorest countries in the world to the transitional phase of a middle income status. We would fool ourselves in Europe if we did not recognize that important parts of East Asia may soon reach and surpass us in terms of prosperity.

A lot will happen in China and East Asia that has never happened before.

We have never experienced such economic growth, among a comparably large population, living on land and depending on water resources which are already under strain.

There will be dozens and dozens of mega-cities, of tenfolds of million people - Shanghai being one vibrant center.

There will be billions of people living within five miles of the seas.

The next century may well be one of great global environmental crisis, with the main pressures coming in China and East Asia. But it need not be.

And I believe that China will manage its transition periods better and more effectively if you make full use of what Europe has to offer.

China now has the opportunity to make a series of timely decisions before economic growth and performance present it with the bills of overburdening both the country and its resources.

The future of China will be strongly influenced by how well it manages to foresee the risks which, if unchecked, might undermine the gains of the past forty years. Investments in water development, means of mass communication, energy, sanitation, - they can be made in time. Success will largely depend on the political and administrative ability to find the right balance between freedom of market forces and sufficient forward-looking public management and direction.

Many Norwegian companies, including those in our delegation, have succeeded in home markets which have the world's most stringent environmental regulations. Being competitive in Europe means complying with the requirements of sustainable development, which should be a prime growth sector in the years to come.

There are needs in China which are not articulated by market forces alone. These are public needs, defined by people and their political representatives. These needs are such that cooperation with European

countries offers perhaps the most promising and most effective way towards sustainable progress.

The markets of sustainable development will require political direction, priorities to be defined, and large public investment. Norwegian companies are used to working in such an environment and for such publicly defined needs.

Norway is a high cost country. And it is a high benefit country. We are proud of what we have achieved through decades in terms of social economic and environmental policies.

During the past decade we have heard gloomy prediction about the coming of trade wars between the world's major regions. Asian countries have been predicted to become the winner in this global competition. I believe that the future course will be different. And that we will have cooperation and not confrontation.

We can see the strong desire for a better future in the eyes of the young generation here in the streets of Shanghai. They will require very much the same life conditions as people in Europe and North America, also in social and environmental terms.

Europe will not harmonize downwards - instead I expect that the Asian worker - sooner or later - will be demanding a global harmonization upwards. I believe that this will be a natural development as we gradually reach higher levels of prosperity.

It is in this light that you should see the presence of so many Norwegian companies representing state-of-the-art environmental technology. Clean and safe water, clean and safe energy, clean and safe production processes. These are their lines of trade. They have not come to reap a quick profit, but to stay, working on a long-term basis, investing in the Chinese people, sharing their technology.

We have come here with great respect for the people of China and for its achievements during the first almost five decades of its existence. Our business representatives, in their own way, also represent their country while working here in China. They will also convey attitudes shaped back home in good old Norway, based on our tradition and culture.

If you work with us, use our technology and resources, it will mean a modest, but still significant step forward, as China proceeds on its way towards a sustainable future. Norway has come here to China to stay. I believe that mutual trust and mutual benefit will permeate the Sino-Norwegian relationship as it moves from adolescence to maturity.