

COMMENT

Warding off Easter Island Syndrome

BLESSING OR CURSE? Demand may one day outstrip supply in a resource-rich nation

KNOWN for its mysterious giant carved statues, Easter Island has captured the imagination of many. However, it is the tale of how the Rapa Nui, the native inhabitants of Easter Island, suffered a complete societal collapse that has perplexed the scientific community and provides a stark warning to societies around the world.

Easter Island was once a resource-rich and bountiful tropical land, with a thriving and complex society. However, by the time Dutch explorers reached the island in 1722, it was described more as a wasteland than a paradise.

In what is termed the Easter Island Syndrome, evidence suggests that the inhabitants managed to exhaust their natural resources to the point that it resulted in complete societal collapse. It prompted renowned scientist and author Jared Diamond to ask the question, "What were they thinking when

they cut down the last palm tree?"

Ironically, the Dutch also know a thing or two about "resource curse", where abundance in natural resources does not necessarily lead to prosperous growth.

Known as the Dutch Disease, discoveries of vast natural gas deposits in the North Sea during the 1960s resulted in the value of the Dutch currency rising, which made exports of all non-oil products less competitive.

The tale of Easter Island and the Dutch Disease phenomenon poses the question, is being resource-rich a blessing or a curse?

It must be acknowledged that the findings of the collapse of Easter Island have been debated and to suggest that environmental degradation solely can result in societal collapse risks oversimplification.

However, the impact of natural resources socially, economically



Volunteers **planting mangrove saplings** on the banks of Sungai Kerteh in Terengganu, under a **programme sponsored by Petronas Chemicals**. The **private sector has a huge role to play** in delivering innovation that not only provides profits but also contributes to sustainability. Pic by Afendi Mohamed

and politically should not be underestimated. There is an increasing amount of evidence supporting this.

One of the key factors in the "Arab Spring" revolt was the increase in food prices.

Closer to home, devastating droughts which damaged more than 400,000 hectares of rice fields in Indonesia contributed to the downfall of Suharto.

Malaysia has not suffered the same fate as

either the Dutch or the Rapa Nui. In terms of the resource curse, Malaysia has a diversified economy and has charted impressive growth rates since our independence.

In terms of our environmental stewardship, we have not degraded our environment to the point that we have exhausted all our

natural resources. At least, not yet.

The current water crisis in Selangor has demonstrated the social and political implications with issues relating to natural resources.

While there is confusion on the actual facts of the issue, there is undisputed evidence that water is not efficiently utilised.

Non-revenue water (NRW), which is water that has been produced but "lost" before reaching the customer due to leakage and other apparent losses, is high at an average rate of 37 per cent. The World Bank recommends NRW should not exceed 25 per cent.

Being a significant player in the oil and gas industry would perhaps suggest that we do not have any issues with energy security. Despite this, according to the Energy, Green Technology and Water Ministry, Malaysia will become a net importer of oil by 2015 in a busi-

ness-as-usual scenario.

So, are we on the verge of collapse or conflict?

Not exactly, but hopefully we can say the same in 20 years. The first step is to acknowledge that the notion of having inexhaustible resources is a myth.

We have been blessed with natural resources but in an increasingly complex world with rising population and affluence, our demand for natural resources may one day outstrip supply.

There needs to be increased understanding on the complex interconnections between our strategic resources. On top of that, it is vital to understand how these resources impact our lives and can potentially threaten our cherished values.

In more practical terms, there are basically two ways to counter this threat.

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Don't take our abundance in resources for granted

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Firstly, we must reduce our consumption. All segments of society, including the government, private sector and general public, must make a conscious effort to minimise our consumption and wastage.

Secondly, a culture of innovation must be embedded in the society to give birth to solutions that utilise resources more efficiently. Whilst policies should be designed to be pro-innovation, the private sector has a huge role to play in delivering innovation that not only provides

profits, but also contributes to society and sustainability.

The challenge is to rectify the conflict between achieving short-term and long-term gains. While this may seem counter to human nature, our future may depend on how we choose to utilise our resources.

We must not take our abundance in resources for granted and ensure that we don't succumb to the Easter Island Syndrome, but rather exemplify the Dutch, who overcame their "disease" to be one of the most developed countries in the world.

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