

Statement by Ambassador Munir Akram, Permanent Representative of Pakistan to the United Nations in the General Debate of the Second Committee (30 September, 2002)

Mr. Chairman,

On behalf of the Pakistan delegation, let me congratulate you on your election to preside over this important Committee of the General Assembly. May I also felicitate the other members of the Bureau.

2. We also commend Under Secretary General, Mr. Nitin Desai, for his valuable contribution to the work of this Committee.

Mr. Chairman,

3. For the past two years, global economic growth has slowed significantly. The world economy now hovers between recession and a weak recovery. The United States, long the engine of global growth, had witnessed the often predicted market meltdown. In Japan, afflicted by a prolonged banking crisis, the prospects of recovery--whether domestically driven or externally induced--are not considered likely. Europe's recovery also seems stalled by the limits on fiscal stimulation imposed by monetary union, as well as an expensive agricultural support policy and a generous social welfare system. Growth has been sustained recently by some large developing countries, especially China. But with Argentina in an economic and social crisis, and Brazil threatened, prospects do not appear bright anywhere else.

4. Without growth in the world economy, development is not possible. The G-7 meeting in Washington last week was, therefore, right in focusing on ways and means for the world economy to be restored on the path of steady and non-inflationary growth. It is unfortunate, of course, that there are, at present, considerable differences among the major economic players about the correct actions which each of them must take to revive growth.

Mr. Chairman,

5. The developing countries are in double trouble. First, only 12 among 140 of these countries benefited from the era of globalization when the Washington consensus reigned unquestioned.

6. In the rapidly integrating global economy, the poorest countries, and the most vulnerable groups within most countries have been increasingly marginalized. The income gap, among and within countries, between the richest and poorest, doubled over the past fifteen years. Per capita income declined in forty developing countries during this period. While prosperity was enlarged in some parts of the world, the number of people living in poverty increased and is continuing to increase in absolute numbers. The rich are getting richer, the poor are becoming poorer. This is not a promising augury for a stable and prosperous global order in the 21st century.

7. A major part of the explanation for the asymmetrical evolution of the global society is the inherent inequity in the international trading and financial system:

the 50 years of exclusion of textiles and agriculture from GATT disciplines;

persistent tariff and other discrimination against third world exports;

the absence of measures to stabilize and arrest the secular decline in commodity prices;

the growing control of profit-motivated multinationals over the flow of finance, technology and knowledge;

the unequal distribution of international liquidity and investment finance--95% to 5% between North and South--; the inadequacy and stagnation in mounting debt burdens.

8. Unfortunately, there has been insufficient recognition of these underlying macro-economic reasons for the failure of development in the developing countries. Instead, there appears to be a conscious endeavour to focus on either micro-economic problems encountered in the development process--illiteracy, corrupt governance, inefficient aid utilization--to build an explanation some would say, an alibi for the failure of development and the continuing rise of poverty in most of the Third World.

Mr. Chairman,

9. There will be no sustainable development without development. Economic growth, generated through investment and trade, is the indispensable pre-condition for realization of the other two pillars of sustainable development, social development and environmental protection.

10. Speaking at the UNCTAD Mid-Term Review, last May, Dr. Supachai, the new Director-General of the WTO, listed six challenges for Development one, globalization, which was not slowing but accelerating; two, the growing relative importance of private flows versus ODA; three, Multinational Corporations, which operate outside inter-governmental rules; four, the secular decline in terms of trade of developing countries; five, the slow process of debt relief; and six, making the new trade round work for the developing countries.

11. It is, unfortunate, therefore, that even after the launch of the Doha Trade Round, free trade rhetoric has been accompanied by growing trade barriers. As the UNCTAD Secretary-General has noted recently, developing countries are being denied many of the policy instruments e.g. industrial support policy, higher tariffs for weaker sectors, export incentives, agricultural support--that were widely and successfully used--by the industrial countries.

12. Even the onus for sustaining the environment is being placed on the developing countries. Poverty in the South is increasingly seen as a cause of global environmental degradation. The concentration of wealth as the source of environmental pressures, or indeed as one of the causes of global poverty, is mostly overlooked.

13. Genuine globalization will require that the developing countries be properly integrated into the global economic system; it will require opening the developed countries markets to freer cross-border flows of goods, technology, capital, information and people.

Mr. Chairman,

14. Over the past two decades, the international community has gathered together at several conferences and summits, to deliberate upon the imperative of global and equitable economic and social development. All UN Member States accepted the Rio Declaration and Agenda 21, Millennium Development Goals, the Declaration of the Doha WTO Conference, the Consensus at Monterrey on Financing for Development and, most recently, the Declaration of the Johannesburg Summit on Sustainable Development. These consensus conclusions, in our view, constitute a pledge by all our governments to abide by and implement the policy decisions, commitments and action plans, which we have adopted at these conferences. The decisions and declarations of these international conferences reflect a new international consensus - a UN consensus that should replace the Washington Consensus and constitute the basis for a renewed global endeavour to promote equitable global socio-economic development.

Mr. Chairman,

15. It is now essential to secure adequate follow-up and implementation of this policy commitments and action plans in various areas in an integrated, comprehensive and balanced manner. This follow-up must be integrated to ensure coherence and complementarity at the policy and programme level.

16. Secondly, this follow-up must be balanced so as to ensure that there are equitable benefits for all countries and peoples, and that the gaps which presently exist in income, poverty, life expectancy etc, begin to be reduced progressively.

17. Third: This follow-up must be coordinated to ensure the efficiency of effort and to avoid duplication and waste of resources and human potential.

18. As a first step, we believe that the UN Secretary-General may be entrusted with preparing a document which identifies the policy decisions, commitments and actions adopted in various areas by these international conferences. Such an identification could serve as the base-line to assess the progress made towards implementing these decisions of our Conferences.

Mr. Chairman,

19. We must also devise an effective mechanism to review, monitor and guide the process of follow-up and implementation of this UN Consensus. It would be recalled that resolution 50/227 of the United Nations General Assembly had adopted a comprehensive decision under the title of "further measures for the restructuring and revitalization of the United Nations in the economic, social and related fields. In the context of the implementation of this resolution, Pakistan delegation is circulating a Paper entitled Follow-up and implementation of the economic and social policies, commitments and action plans.

20. The paper envisages the establishment of an integrated, comprehensive and coordinated follow-up mechanism to review and monitor the implementation of the outcomes of the major international conferences in economic and social fields. We suggest that the major responsibility for the follow-up should rest with the UN Economic and Social Council which has a mandate under the Charter to promote coordination and coherence in the economic and social policies and programmes. Substantive reviews in various areas, such as trade and development, financing for development and sustainable development, could be conducted by Commissions or Committees operating under the ECOSOC and the General Assembly. While the Commission on Sustainable Development could readily assume the responsibility for follow-up and implementation of the Johannesburg Summit and the Rio Conference, we would need to create special bodies (Commissions) to follow-up on the Monterrey Conference as well as the Implementation of Development Agenda of the Doha Trade Round.

Mr. Chairman,

21. We believe that the specific machinery of such a follow-up mechanism could be discussed in open-ended consultations involving all interested countries. The Paper circulated by the Pakistan delegation sets out some preliminary thoughts with regard to modalities, periodicity and location of meetings, membership of the review bodies, nature of representation, participation by States, as well as civil society and the private sector, and possible Secretariat support. The paper foresees an overview and integrating role in the follow-up process for the Economic and Social Council and the UN General Assembly.

Mr. Chairman,

22. In our view, such a comprehensive, coordinated and coherent follow-up mechanism will enable us to transform the consensus achieved by all our countries into action. The Pakistan delegation is confident that these suggestions will evoke constructive responses from all our

partners. We shall shortly convene open-ended informal consultations to discuss the Paper and would welcome the comments and views of interested delegations on it as soon as possible.

I thank you.