

**STATEMENT BY H.E. AMBASSADOR MAKARIM WIBISONO, PERMANENT REPRESENTATIVE OF INDONESIA TO THE UNITED NATIONS IN NEW YORK AND CHAIRMAN OF THE GROUP OF 77 AT THE CLOSING CEREMONY OF THE 24TH MEETING OF THE CHAIRMEN/COORDINATORS OF THE CHAPTERS OF THE GROUP OF 77**

Geneva, 26 March 1998

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Mr. Secretary-General,  
Excellencies,  
Ladies and Gentlemen,

I have the distinct honour and privilege to address this Plenary Meeting of the Group of 77 on the occasion of the 24th Annual Meeting of the Chairmen/Coordinators of the Group of 77. In my capacity as the Chairman of the Group of 77 in New York, I would like to express my deep gratitude to the Chairmen/Coordinators of the Group of 77 in the various chapters for their positive response to attend this meeting. Their presence is a testimony of their commitment to strengthening the capacity of action of our Group.

I wish to record my gratitude to the Geneva Chapter and UNCTAD for the excellent arrangements made for the hosting of this meeting. My sincere thanks go especially to H.E. Ambassador Janina Del Vecchio Ugalde of Costa Rica and Chairperson of the Geneva Chapter.

In this gathering of the developing countries, we have attempted not only to engage in assessing the global economic situation of the world, but also endeavoured to forge common approaches and coordinated our respective positions in the field of economic and social development. The profound, rapid and unpredictable events which are transforming the world helped to enhance our solidarity and unity in pursuing our collective goals for development, stability, predictability and peace.

This meeting of the Chapters of the Group of 77 took place at a challenging time. It is true that, compared with the prevailing circumstances when the Group of 77 was first established, today's world economy offers great potential and prospects for growth and development. At the same time, in this period of transition there is much uncertainty and many pitfalls, thus bringing together both opportunities and challenges. However, unimagined processes are taking place in the world with far-reaching implications for international cooperation and for economic and social development. It is true that the structural transformation of the world now occurring holds out great promise for the future. The political changes, the information development and technological advances of the last decade have provided a stronger basis for economic growth. The world of today has the necessary resources, knowledge and expertise, as well as the technical means by which these assets can be transmitted between countries. It has the economic systems, policies, institutions and structures capable of translating human and physical resources into the goods and services which people want. Its global economic interdependence offers the prospects of higher productivity and living standards. However, it also links national economies more closely to exogenous financial and other disturbances. The financial and economic crisis we are presently witnessing is global in its causes and its implications. Its negative impact will unfortunately be felt perhaps most severely by the developing countries because of the vulnerability of developing economies to external forces.

However, it is these very countries and economies that will ultimately provide solutions to the problems of financial imbalance, excess capacity, weak demand and economic inequality. For this reason among others, South-South cooperation was a prominent item on the agenda of the chapters. The Group of 77 will maintain and strengthen its unity and expand functional cooperation within the Group. We are well aware that there are no miraculous answers to the problems of international trade and development. Bringing about the solutions to the problems is a process. It can be speeded up; it can be directed and it can be made less turbulent, but it

will

remain a process that takes place through cooperation and partnership for development. It is no coincidence that the term Partnership for Development was coined in these very halls in the context of UNCTAD and the message that UNCTAD put forward at its ninth Conference in South Africa.

It was evident to the Chapters that there can be no more urgent task for development than to attack both the causes and the symptoms of the problems that face us. Development is not only a fundamental human right, it is the most secure basis for peace. It calls for greater intellectual understanding, patience, deep moral commitment and effective policy measures, combined with the strong will demonstrated both individually and collectively by developing countries in pursuing effective mobilization in the multilateral arena.

Excellencies, Ladies and Gentlemen,

The Group of 77 is proud of its success in making development the focus of the UN system once again. If development were to be eliminated from the agenda of the United Nations or if its importance and consideration were to be reduced or limited, this world organization would seriously diminish its purpose and its ability to contribute to solving problems of vital importance to the international community. Consequently we have reaffirmed the primary and fundamental objectives of the UN in promoting the necessary conditions for social and economic development of the world's developing countries.

The Group of 77 will strive in the UN to develop its full potential and address urgent and serious economic and social problems facing developing countries, particularly in Africa and the LDCs. The Final Communique adopted by the Chapters speaks for itself, whether on its commitment to making progress in preparation for the Conference on Financing for Development or on the reform of the UN from the perspective of strengthening the role of the organization and safe-guarding its mandate.

The Group of 77 fully supports the streamlining of the UN system but cannot accept any move to abolish or distort the development agencies in the name of Adivision of labour@ or comparative advantage. Institutions and agencies that have a sound track record of supporting concretely the development of the South need and indeed expect our support. Those that have a negative record should be reformed or wound up.

The Group of 77 also considers it is essential that collaboration between the UN system and the Bretton Woods institutions be strengthened at all levels - at the level of intergovernmental decision-making, at the inter-secretariat level and at the country level. The Group of 77 therefore looks forward to the early implementation of the relevant United Nations General Assembly resolutions, in particular the joint review by the UN and the Bretton Woods institutions to assess mechanisms, programmes and relationships at the field, headquarters and intergovernmental levels, with a view to identifying areas in which communication, cooperation and coordination could be improved. The Group of 77 wishes to stress the importance in the joint review of concrete recommendations of facilitating closer collaboration between the General Assembly and the respective governing bodies of the Bretton Woods institutions. Through a systematic sharing of ideas, and information, expertise, and within the context of their respective mandates and comparative strengths, organizations of the United Nations system and the Bretton Woods institutions could collectively enhance their capacity to provide support to the developing countries. This collaboration assumes added significance in the context of steadily diminishing resources for development.

With regard to areas of collaboration between the UN system and the Bretton Woods institutions, the Group of 77 attaches priority importance to poverty eradication, stimulating and sustaining economic growth in the developing countries, sustainable development, capacity building, particularly human resources development, and the design of people-centred structural adjustment programmes. In stimulating and sustaining economic growth, the Group of 77 believes that developing countries would benefit a great deal from the combined

wisdom of the Bretton Woods institutions and development institutions such as UNCTAD, UNIDO, FAO, UNESCO, UNDP and other UN agencies.

The combination of expertise in macro-economic policies and sectoral strategies in those organizations would enable developing countries to view development issues from a broader perspective. It is the G-77's view that the UN system and Bretton Woods institutions should jointly explore alternative models of structural adjustment, especially those models that have built the social dimension into the adjustment process rather than devising measures to deal with the social consequences of structural adjustment after the fact.

Excellencies, Ladies and Gentlemen,

There is a need to emphasize the increasing importance and complementarity of economic and technical cooperation among developing countries as a means of supporting the development efforts of these countries and ensuring their effective participation in the emerging global economic order that is increasingly shaped by the forces of globalization and economic liberalization. In this context we urge the United Nations system to foster closer policy and operational linkages between TCDC and ECDC.

In San José, Costa Rica last year, the developing countries endorsed a series of action recommendations which aim at cooperating in enlarging markets to capture internal and external economies of scale, pool their capacities when appropriate and feasible, and develop, in an open manner, their collaboration in technology, production and finance. All of this is aimed at enabling them to gain competitiveness and develop the requisite capacities to enter the global market and benefit from the new opportunities afforded by globalization.

On behalf of the Group of 77, I would like to reiterate our firm commitment to further strengthening South-South cooperation. This modality of cooperation is increasingly important, both as a strategy in support of development and as a means of ensuring the effective participation of developing countries in the emerging global economic order. We believe that there is a need to consolidate ongoing efforts, to further increase resources, and to identify priority areas for South-South cooperation. These priority areas should include cooperation among developing countries to enhance their understanding of complex global economic issues and to formulate joint strategies, especially in the area of subregional and regional integration. In this context, I am pleased to announce that the Group of 77 is planning to hold, during the second semester of 1998, a High-level Conference on South economic groupings (Bali, 10-14 August 1998) and the 10th session of the intergovernmental follow-up and coordination committee on ECDC-IFCC-Africa (September 1998). We also plan to hold from 1 to 3 June 1998 in Jakarta a High-level Advisory Meeting to prepare the South Summit in accordance with the decision adopted by the Ministerial Meeting of the Group of 77 in September 1997.

Excellencies, Ladies and Gentlemen,

To conclude I would like to reiterate the importance of the United Nations as the central forum for dialogue and negotiations on issues relating to international cooperation for development and call upon all States to respect the principles and purposes embodied in the Charter of the United Nations. There is a need to call for a stronger United Nations system to handle the complex and interrelated problems facing the world economy, in due coordination with the multilateral financial institutions. We express deep concern at the financial crisis of the United Nations, which has placed in jeopardy the ability of the Organization to fully implement its mandated programmes and which undermines the very essence of multilateralism.

The Group of 77 attaches great political importance to the strengthening of the role of the United Nations in promoting international cooperation for economic and social development. We strongly believe that the United Nations should be allowed to develop its full potential in the field of international economic cooperation. To that end, the realization of the right to development should be given utmost priority by the

United Nations.

Finally I wish to express our appreciation and gratitude for all those present today with us who are our development partners from the developed countries. We hope that their presence will further strengthen our partnership.

I wish also to express my appreciation to the Secretary-General, Mr. Kofi Annan, who due to his very stringent and heavy programme was unable to be with us today. He has always extended his full support to the cause of and hopes of the members of our Group.

Thank you.