

STATEMENT BY THE HONOURABLE BHARRAT JAGDEO, MINISTER OF FINANCE OF THE REPUBLIC OF GUYANA, BEFORE THE FIRST SUBSTANTIVE SESSION OF THE OPEN-ENDED PREPARATORY COMMITTEE OF THE GROUP OF 77 ON THE SOUTH SUMMIT

New York, 28 April 1999

Honourable Ministers,
Excellencies,
Ladies and Gentlemen,

In just one year from now the leaders of the South will meet in Havana, Cuba, to advance an Agenda for the development of their peoples. There could be no more timely opportunity for the countries of the O-77 and China to reflect upon the economic and social challenges which they currently face and to formulate a visionary strategy for meeting them. With the turn of the century, the global economy and society as a whole have undergone such profound transformation that old and traditional approaches to their management are now neither relevant nor effective, Urgently needed are fresh and dynamic policies aimed at responding fully to prevailing circumstances,

The consequences of globalization - or more accurately, of global capitalism and the liberalization of the world economy have led to financial crisis in many of our countries and to serious uncertainty for the future. While a few were able to enjoy rapid economic progress for a while, the majority are faced with the threat of elimination from the market-place. The forces of globalization have thus been very much like a roller-coaster ride, offering fast thrills but little security. The experience thus far has been enough to prove that unless this process is better managed, the impact on weak economies can be disastrous.

We cannot continue therefore to blindly accept the assurances by free marketeers that globalization will bring good for all in the end. We must study the empirical evidence for ourselves to see how we may benefit from the phenomenon while seeking to minimize its deleterious effects. This is a task in which our academics and experts from institutions in the South could fruitfully engage in order to present to the Summit an analysis of globalization's impact, together with a set of proposals for preserving and strengthening our economies to withstand its worst excesses. On the basis of such a study and its recommendations, our Heads of Government could collectively seek to devise measures to harness globalization to our particular needs.

Even at this stage, however, it can be recognized that the prospects for the South's development lie largely in greater cooperation between our countries. Since the creation of our Group in 1964, many declarations of intent and several action programmes - notably of Buenos Aires and Caracas, have been formulated in the effort to potentiate our relationship. Admittedly, some gains have been realized through collaboration at the bilateral and the regional levels, We are yet, however, to galvanize our numerical strength and our spirited solidarity into a truly energetic force capable of conditioning the international environment in which we must operate. It may be that we have not exerted ourselves enough or even, that we have been over ambitious. However, whatever the reasons for our shortcomings, the new economic circumstances warrant a re-examination of our methodology with an eye to maximizing the benefits of South-South cooperation.

This must be the paramount concern of the Havana Summit. Out of that meeting should come not only a renewal of the South's commitment to cooperation, but the definition of an action plan with clear targets and time frame. It is not too early to begin the search for some joint enterprises in which interested countries could participate. The identification of a small number of feasible projects spread over all the regions of the South could provide a firm basis on which to proceed to implementation. All that is needed to lift the confidence of developing countries in their own ability to promote development is success in a few carefully selected cooperation schemes.

The third major area that lends itself to high level discussion is the reopening of a dialogue with the countries of the North to find a consensus on global development for much too long that dialogue has been absent in international relations. World economic policies continue to be set mainly by the powerful, industrialized countries that dominate the trade, money and financial sectors. Developing countries are little more than passive spectators in a game organized by and for the benefit of a select few. Yet, such control is not only selfish but also, in the long term counter productive for those who exercise it. International economic relations, to be equitable and mutually advantageous, require a level playing field and a say in how they are conducted by all participants.

Together, these three themes to which I have referred can be the main axes around which the Summit discussions can revolve. They are sufficiently broad, I believe, to allow for the treatment of the wide range of development issues. And, although separated arbitrarily, they can be brought together to consider inter-related matters. One may go a step further, perhaps, as with the Millennium Assembly, to think of an overarching theme that can succinctly embody the spirit of the Meeting and even serve as a rallying cry for the G-77 as we enter the new millennium. As Chairman, I would certainly welcome your thoughts on this suggestion. The many institutions of the South, including our Group Chapters, our Chambers of Commerce, our Universities and other think tank could be asked to cooperate in producing fresh thinking on a South Agenda. One may also think of ways and means of involving our peoples in the preparations so that not only will they be sensitized to the important event, but will also be encouraged to contribute to its success. In the final analysis, without their interest and support, the Summit may prove to be "much sound and fury signifying nothing."

We are assured that the schedule of meetings of the Preparatory Committee, if respected and properly utilized can lay the ground for a productive summit. As you are aware, four sessions have been planned, each building on work done previously and progressively shaping the Conference framework. It goes without saying, of course, that in the interval between these formal sessions, preparations will be ongoing to ensure the continuity and momentum of our effort. At every stage, member states will be invited to share their views on all questions so that a unified and solid foundation is laid. As a practical means of expediting our preparations, it may be desirable, as has been suggested in earlier meetings of the Group, to establish open and transparent core groups which could focus on specific aspects and assist the Preparatory Committee in reaching timely decisions.

Once the themes have been selected, it would be useful, I believe, for some background working papers to prepare to facilitate discussion at the Summit of each major issue.

As to the event itself, it has been suggested that the Summit be so structured to guarantee full participation and a free flow of views. Accordingly, a tentative proposal has been made that the format should envisage a combination of short addresses by participating Heads - perhaps for a maximum of seven minutes each - and a set of three-to-four panels that would be designed for more informal dialogue on critical issues of the Agenda. Out of the event should come two basic documents, one a declaration that sets out a vision and strategy for the development of the South in the coming decade and beyond. And two, a broad action plan, possibly containing a few feasible initiatives to promote South-South Cooperation. This latter document will have been elaborated previously by the Preparatory Committee and readied for the Summit's approval.

Honourable Ministers, Excellencies, Distinguished Delegations,

This, in brief, is how, we, as the current Chairman of the Group of 77, see the preparatory process unfolding. You will note that I have sought to capture some ideas and proposals which have emerged in our preliminary informal meeting. They are now placed before you for your further consideration. Doubtlessly, there will be other suggestions for optimizing our preparations. These will, of course, be welcome and evaluated. However, at the end of the day, we must settle the main procedures so that work begin as programmed. To this end, it may be helpful if today's discussions are interactive and clearly focussed on the issues before us.

The task ahead is challenging, but I believe that if we can successfully complete it, the prospects for the Summit's success will be confirmed. Let us therefore apply ourselves to preparing for it in close cooperation with our hosts, the Government and people of Cuba. There is every reason to think that this long awaited high level event, coming as it does in advance of the Millennium Assembly and Summit can serve to provide a significant perspective as we look to charting our passage into the next millennium, We should therefore not fail to seize this major opportunity to determine, in a spirit of solidarity and unity of purpose, the role which we, in the South, must play to further the welfare of our countries and peoples.

Thank you.