

Remarks by His Excellency Ambassador S.R. Insanally, Permanent Representative of Guyana to the United Nations, Chairman of the Group of 77, at the opening ceremony of the Senior Officials Meeting on the occasion of the Ninth Ministerial Meeting of the Group of 77 preparatory to UNCTAD-X

Marrakech, 13 September 1999

Mr. Chairman, Excellencies, Distinguished Delegates,

This great city of Marrakech has secured a prominent place in the history of international economic relations. Having lent its name to a landmark Round of Trade Negotiations, it now plays host to the Ninth Ministerial Meeting of the Group of 77. On behalf of our membership in New York, I would wish to extend to the Government and people of the Kingdom of Morocco our very sincere thanks for their traditional support as well as for the excellent arrangements made for the event. I would also wish to convey our appreciation to the G-77 Chapter in Geneva and to UNCTAD for the substantive preparation which they have invested in our deliberations.

Coming as it does on the eve of a new century and indeed, of a new millennium, this meeting cannot fail to sensitize us to the enormity of the challenges now posed to our economic development. The accelerated pace of globalization in this decade has certainly not produced equitable growth and development for all members of the international community. Indeed, the inequities brought about by globalization have made poverty pervasive as more countries face increased marginalization from the global economy. The situation has been exacerbated by the sudden financial crises that have plagued the world economy since 1996. As the Secretary-General of UNCTAD has rightly said: "in order to justify its name, globalization must include, not exclude; integrate, not marginalize." Global market forces cannot therefore be blind to the need to promote and development. For without comprehensive development, globalization will only be a partial success. We need therefore, as a matter of urgency to construct a new development paradigm that is more suited to our realities and more conducive to complete integration of the world economy.

Mr. Chairman, Excellencies, Distinguished Delegates,

The recent Asian financial crisis took us by surprise essentially because it affected the "Asian Tigers". Those countries, which seemed to have integrated most successfully into the world economy, suddenly saw decades of brilliant economic performance give way to poverty, sharp declines in income for large segments of the population, rising unemployment, and, in some cases, serious political upheavals. The profound and far-reaching implications of this crisis have clearly demonstrated the adverse effects of globalization and the potential dangers of economic interdependence. This negative experience has highlighted the lack of harmony between a dynamic international financial market, on the one hand, and appropriate macroeconomic policies designed to manage it, on the other. Some prudential regulation would seem desirable in light of the rapid liberalization of financial transactions. The structural causes of such instability must be examined with a view to taking measures to minimize the vulnerability of weak economies to external shocks.

Mr. Chairman,

Developing countries have long known other constraints to their progress. A difficult external environment and the absence of adequate domestic infrastructures invariably impede the full and active participation of these countries in the process of globalization. For low-income countries and other small and vulnerable economies this situation is particularly difficult since they must bear the burden of external debt as well as face deprivation from adequate external investment. The decline in official development assistance (ODA) has understandably made matters worse. These conditions warrant an examination of the international

financial architecture in order to make it more democratic and dependable. Full and effective participation in the various decision-making processes and in the management of world economic problems is the only sure way to guarantee economic stability.

Mr. Chairman, Excellencies, Distinguished Delegates,

Amidst the many economic difficulties to which they are subject developing countries may yet hope to find some relief. At the 54th United Nations General Assembly this year, we will resume our preparations for a high-level meeting on the financing for development which is intended to address the problems I have just described. Happily, the Ad Hoc Working Group which was set up to make recommendations on the scope and format of the proposed meeting has finished its task and submitted a promising report. We must now build on the ten pillars recommended by the United Nations Secretary-General and place of development and the financing there of on a sound and safe foundation.

Before much too long, we will also be in Seattle to review the Trade Agenda. Developing countries have now met in their various regions to consider the issues at stake and, to forge common negotiating positions and strategies. We have at this Ministerial gathering a timely and valuable opportunity to come together to make UNCTAD X reflective of our interests. As past experience have taught us, we must guard against making concessions that are not fully matched by our developed partners. We must seek to redefine the concept of reciprocity to respond to the realities in which we now live. We must insist on Special and Differential Treatment in accordance with the GATT Agreements. We must see to it that the "unfinished business" of the Tokyo and Uruguay Rounds be concluded. If there is to be a new "Millennium Round" it must be truly development centred and address the vital concerns to the developing countries.

Mr. Chairman,

It is perhaps a pity that the sequence of events on the international calendar does not provide for the South Summit until early next year. This first ever meeting of the Heads of Governments of developing countries to be held in La Havana in April next year, is intended as we know, to advance at the highest level, economic and technical cooperation among the countries of the South. Such a forum is an idea whose time has come since, though conceived some five years ago, South-South cooperation has by no means reached its full potential as yet. The spirit of Buenos Aires, Caracas and more lately San Jose, must be recaptured and embodied in a programme of action that can be realistically implemented.

I am pleased to report that the Preparatory Committee which I have the honour to chair has had so far three substantive meetings at which we have addressed both the format and agenda of the Summit. Additionally an open-ended core group has been established to expedite our work between formal sessions. As to the format of the proposed meeting, it is expected that while short plenary statements may be entertained, an effort will be made to have a more inter-active dialogue aimed at producing ideas and proposals for concrete initiatives to be taken by developing countries. This exchange of ideas will focus on the principal themes that have been agreed upon viz globalization and its impact on developing countries, North-South relations, South-South Cooperation, Knowledge and Technology and the machinery by which our goals may be pursued. The discussions are expected to yield two documents, one a vibrant and visionary declaration to be prepared by the host country Cuba after consultations and the other, a concise but concrete action programme containing some initiatives upon which member States can agree to cooperate. It must be borne in mind, however, that without a high political presence the South Summit will not live up to our expectations. We must therefore strive assiduously to ensure full support of this momentous event.

Mr. Chairman, Distinguished Delegates,

This Marrakech Ministerial Meeting is undoubtedly an important staging post for the Summit in La Havana.

Here, we must unite to advocate our trade and economic interests at Seattle to ensure our full integration and active participation in the WTO. Only by so doing can the developing countries hope to have a say in matters of trade. Out of Marrakech must therefore come a firm consensus on the way forward to Seattle, Bangkok and La Havana. The future of the South lies in our hands. Let us, with this realization and help of UNCTAD, proceed to create both a vision and a strategy to guide our transition to the 21st century.

Mr. Chairman, Excellencies, Distinguished Delegates,

I wish all success to our deliberations. Thank you.