



Journal of the Group of 77



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THE FIRST SOUTH-SOUTH HIGH-LEVEL CONFERENCE ON SCIENCE AND TECHNOLOGY TO BE HELD IN DUBAI, UNITED ARAB EMIRATES 27-30 OCTOBER 2002



"The South-South High-level Conference on Science and Technology will be held in Dubai, United Arab Emirates (UAE), from 27 to 30 October 2002. The Conference is being sponsored by the Group of 77 in New York in close coordination with the Paris Chapter of the Group of 77, currently chaired by the United Arab Emirates, and also in collaboration with the Municipality of Dubai."

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G-77 NATIONS TO MEET IN DUBAI ON SCIENCE & TECHNOLOGY

ICT, Biotechnology & Safe Drinking Water top agenda

UNITED NATIONS — July (IPS/G-77) The Group of 77 is holding its first-ever South-South High-level Conference on Science and Technology in October 27-30 in Dubai, United Arab Emirates, Ambassador Milos Alcalay, Permanent Representative of the Bolivarian Republic of Venezuela and Chairman of the Group of 77, announced here.

The convening of this conference was decided at the South Summit in Havana (10-14 April 2000) with the objective of formulating global strategies and clear policies within the South for the promotion of science and technology.

The Conference is being sponsored by the Group of 77 in New York in close coordination with the Paris Chapter of the Group of 77, currently chaired by the United Arab Emirates, and also in collaboration with the Municipality of Dubai.

The four-day Conference will bring together policy makers from member countries of the Group of 77, as well as representatives from relevant scientific organizations, research institutions, universities, foundations, business sector and other stakeholder groups dealing with science and technology.

To facilitate this objective, there will be a high-level interactive dialogue among Ministers of Science and Technology, senior officials, scientists and researchers from the South, on October 27.

Three workshops on information communication technology, safe drinking water, and biotechnology will be held during the conference. Other parallel events, including an exhibition, are scheduled to be organized by the Municipality of Dubai.

In a joint message to the upcoming conference, Ambassador Milos Alcalay, Chairman of the Group of 77 in New York, and Ambassador Hussein Ghubash, Chairman of the Group of 77 Paris Chapter at UNESCO, said:

"Rapid advances in science and technology, particularly in such areas as microelectronics, biotechnology and information technologies, have played a critical role in economic and social development. Developing coun-

tries, however, lag far behind in knowledge generation. The disparity between the developed and developing world in their capacity to produce scientific and technical knowledge and to utilize this knowledge in support of social and economic development has emerged as a major challenge facing the international community."

To raise public awareness about the Conference, the Office of the Chairman of the Group of 77 is launching a new Web site devoted to the Dubai conference. The

new Web site can be accessed through the Group of 77 home page at the Internet address <http://www.g77.org>.

Intended as a site for news and general information concerning the Conference, the Web site will be continuously updated by the Office of the Chairman. It features a joint welcome message by the Chairman of the Group of 77 and the Chairman of the Paris Chapter of the Group of 77.

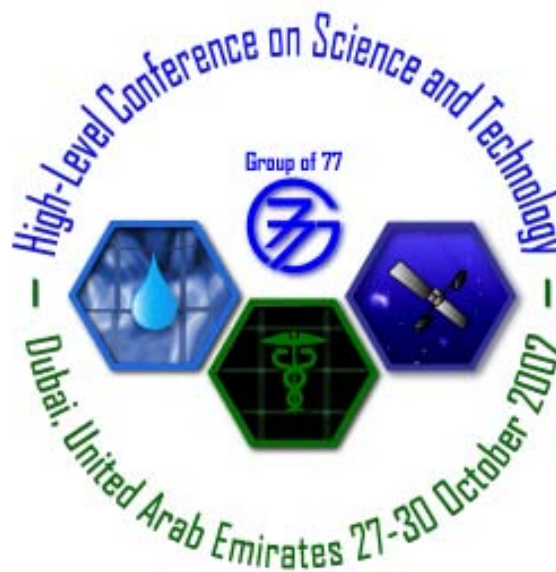
Also offered are sections describing the general background of the Conference and information about the host country and the city of Dubai. Information on conference registration and accreditation for participants and the media

is also available. A Press Centre in Dubai will provide up-to-the minute press releases about the conference, statements and other public information.

The Group of 77 is the largest single coalition of developing nations in the world. The Group was founded on 15 June 1964, by 77 developing countries at the first session of the United Nations Conference on Trade and Development (UNCTAD).

Since then, the Group has grown to 133 nations, representing almost the entire developing world, including China. The Group has five Chapters located at Geneva, Nairobi, Paris, Rome, Vienna and Washington, D.C. (G-24). Over the past nearly four decades, the G-77's role and influence have expanded as seen most recently at the first South Summit.

For further information, please contact the Conference Secretariat located at the Office of the Chairman of the Group of 77, telephone: (212) 963-3816; fax: (212) 963-3515, E-mail: g77off@unmail.org.



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EDITORIAL

Why the World Needs a Humanitarian International Fund...

At the recently-concluded summit meeting on Financing for Development (FfD) in Monterrey, we accepted with humbleness - but with a lot of firmness-- the flag of dignity, on behalf of the peoples of the third world.

As president of Venezuela, and speaking on behalf of the Group of 77 and China, I was the first speaker at this Summit meeting.

In this forum, I presented a proposal for the creation of a Humanitarian International Fund.

Since the International Monetary Fund (IMF) is not an instrument either to help the social development of the planet or to fight hunger and misery that kills millions of human beings, the Humanitarian International Fund is aimed at filling this void.

According to UN statistics, a child dies every three-seconds either of hunger or of illnesses that can be avoided. You can count up to 1, 2, and 3-- and misery takes away a life.

Millions of human beings don't have employment, decent housing, drinking water, electricity, or property. They don't have the right to health or education.

Millions of human beings are being forced to live with less than a dollar per day. Still they survive.

But there are more than enough reasons to declare a worldwide emergency to redress these shortcomings. This is our clamor.

If 10% of the external debt of our countries, and 10% of the military expenses, are earmarked to finance this Humanitarian International Fund, along with the call for official help for development, we will be able to give shape to a mechanism that allows us to fight this anguish of humanity.

This is a contribution that Venezuela is willing to make to heal the wounds of the planet.

As everyone is aware, the present situation in the world is terrible, and it is an emergency that generates a lot of risks -- risks of violence, wars, and death and destruction.

God didn't create us to find a way to hell.

With this proposal for a Humanitarian International Fund, we may be able to return to life, dignity, equality and happiness of humanity.

Hugo Chavez Frias
President of the Bolivarian Republic of Venezuela
Chairman of the Group of 77

GLOBAL ECONOMIC CRISIS

THREATENS STABILITY & GROWTH IN THE SOUTH

UNITED NATIONS, May (IPS/G-77)-- The chairman of the Group of 77 Ambassador Milos Alcalay of Venezuela, who was invited to address the G-24 in Washington DC, told delegates that the economic crisis affecting developing nations is a major threat to the future stability and growth in the South.

Today, the international community is faced with multi-faceted challenge to effectively grapple with multidimensional problems facing developing countries-- particularly poverty, he added.

The G-24 meeting took place during the annual spring meetings of the World Bank and the International Monetary Fund (IMF) in Washington DC which are attended by the world's finance and development ministers.

Addressing the gathering, Ambassador Alcalay said the international community has to address these issues as a matter of priority.

"Certainly, effective mobilization of financial resources for development as well as the creation of a conducive international environment poses the greatest challenges to the international community and to the financial institutions," he added.

This year's calendar of activities, including the preparations for the Children's Summit held in May, the Johannesburg Summit in August and the World Food Summit in June, should be fully explored in search of a new and more enlightened basis for international cooperation, he pointed out.

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 shared between countries.

"Its global economic interdependence offers the prospects of higher productivity and living standards. However, it also links national economies to international economic environment. The financial and economic crisis we are presently witnessing is global in its causes and its implications," he warned.

Its negative impact will unfortunately be felt perhaps most severely by the developing countries because of the vulnerability of developing economies to external forces.

He also said the South Summit of the G-77 held in Havana in 2000 pointed out to the inadequacies of the present economic order for achieving the goals and objectives of development and has called for meaningful reforms of the international financial system.

This position has been reaffirmed at the recent meeting of G-77 Chapters in Paris in April.

In this context, the issue of strengthening the architecture of the international financial system should therefore become an important and major focus for the G-77 and the G-24, he added.

The issue of financing of development has already been identified by the G-77 as the most critical and core issue in the quest of evolving a dynamic international cooperation for development.

In fact, he said, all of the outcomes of the major UN international summits and conferences have explicitly and implicitly addressed and highlighted the indispensability of financial resources for development.

The reviews undertaken on those outcomes highlight that the major factor for not effectively implementing these decisions have been largely related to deficient actions on financial resources for development.

"We do sincerely hope that Bretton Woods institutions and other partners in development undertake an effective follow-up for the Monterrey Consensus in order to achieve the objective set out in the Millennium Declaration," he added.

The problem of inadequacy of financing for development is closely linked with the issues of external debt and development.

External indebtedness has emerged as one of the major obstacle to the development efforts of developing countries.

The development endeavours of developing countries, in particular towards the provision of social and economic services, has been severely hampered by the obligation to set aside a substantial portion of national budgets to service external debt repayments.

"This situation is further exacerbated by the negative effect of structural adjustment programmes, decline in official development assistance (ODA), deteriorating terms of trade of developing countries and sharp falls in commodity prices as well as escalating protectionism in the developed countries," he noted.

In order to effectively and meaningfully accelerate the development process of developing countries, there is an imperative need to reverse these declining trends in the ODA flows, which remains the principal source of development financing for most developing countries.

In particular, developed countries should comply with the internationally agreed targets of ODA and commitments for new and additional resources as reaffirmed in Monterrey with view to assisting developing countries in achieving their development needs.

Eradication of poverty remains a priority goal of all developing countries. However, despite increased efforts to eradicate poverty, the total number of people living in poverty is increasing.

The majority of the population in these countries continue to live in extreme poverty, unable to access basic human needs such as nutrition, health, water, sanitation, education, and housing.

It is the view of the Group of 77 that Bretton Woods institutions should join the UN effort in formulating a global strategy for the eradication of poverty in developing countries.

"In this context, I would like to reiterate the position expressed by President Hugo Chavez Frias in Monterrey for the establishment of an International Humanitarian Fund as a matter of priority," he added.

G-77 CHAIR UNDERLINES IMPORTANCE OF INFORMATION TECHNOLOGIES

UNITED NATIONS, May (IPS/G-77)-- Speaking on behalf of the Group of 77 and China, Ambassador Milos Alcalay of Venezuela underlined the importance of information technologies in a fast changing world.

Addressing the UN Committee on Information, he said that the current international political agenda is intensely and increasingly involved in matters relating to technology, information and communication.

There is no doubt that this has become one of the recurrent aspects within the main fora of discussion at the international level, he added.

The Millennium Summit and the recently-concluded summit meeting on Financing for Development in Monterrey, Mexico both stressed the role of information technologies in development and infrastructure building.

The G-77, he said, is looking forward to the upcoming World Summit on Information to be held in two phases in 2003 and 2005.

While recognising the importance of information technology, he said there was a digital divide that separates the developing from the developed countries.

The accelerated progress on matters relating to technology, information and communications have not reached vast areas in the developing world, thereby restricting progress in important sectors of human development.

The so-called technological gap, between rich and the poor, has prevented the balanced development of an irreversible process.

While problems of distances and communications have been reduced in the world, the digital divide has

continued to grow because of new developments in the field.

Personal computers are a good example. After initially undergoing radical changes, portable computers have experimented with important innovations, such as conversions into digital screens or the incorporation of remote controls.

However, it is well known that such levels of development are beyond the financial means of people who struggle for their daily subsistence.

"We face one of our biggest challenges in trying to reduce this gap and not allow it to widen even deeper," he added.

This objective truly demands the collective effort of everyone. It requires the cooperation of several sectors, and also investments in education, health, infrastructure, etc., which will help achieve a better equilibrium and greater social justice in the world, he said.

"The Group of 77 and China are fully conscious that this endeavor highly exceeds the purposes, not only of this Committee, but also of those, who separately dedicate themselves to the study of several of these problems," he said.

"But, at the same time, we believe that the aforementioned constitutes the general context within which a constructive dialogue should take place," he said

"We should endeavor to help our countries to suitably adapt themselves to the reality of our times so that they could obtain the benefits derived from the appropriate access and handling of public information-- and in this case, of the public information facilities of the United Nations," he said.

TANZANIAN ENVOY REITERATES CALL FOR A PERMANENT G-77 SECRETARIAT

UNITED NATIONS, May (IPS/G-77)-- Ambassador Daudi Mwakawago of Tanzania has expressed strong support for a longstanding proposal for the establishment of a permanent secretariat for the Group of 77.

In an interview with the JOURNAL OF THE GROUP OF 77, he called for the appointment of a small group of experts to flesh out the mechanics of the proposal.

"So far, we have been working on an ad hoc basis. We need a permanent structure," the former chairman of the Group of 77 said.

Excerpts from his interview:

Q:*The Programme of Action adopted at the South Summit in Havana in April 2000 called for the establishment of a permanent secretariat for the Group of 77. As a former chairman of the G-77, what are your thoughts on this proposal?*

A: The proposal is not new. It has been there for years. The G-77 has not been very precise in what it wants. On the face of it, the proposal is a very good idea, but I think some work needs to be done to work out the details. You need to commission a small group of two or three experts to come up with what kind of structure we need-- and how to go about doing it.

Q:*If a new secretariat is to be established in New York, how should it be structured?*

A: There are two central questions to be answered. Firstly, there is a need to ensure adequate resources. You cannot get the secretariat staff to concentrate on their work if they don't know where and when their salaries would come from. If the secretariat is to be funded with voluntary contributions, it cannot be realised. It has to have secure resources. At present, each G-77 member is expected to

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voluntarily contribute \$1,000 per year. But this has fallen far short of expectations. The South Summit in Havana increased the amount to \$5,000 per year.

Secondly, what kind of manpower would you need for the secretariat?. The secretariat cannot survive on borrowed staff. The G-77 is essentially an economic outfit. So we need economists, not merely academics. The G-77 also represents a diverse group of countries-- medium income, low income, least developed, small island developing states etc. So, we need a secretariat which appreciates this diversity.

Q: *Do you think the absence of a secretariat has in any way hindered North-South negotiations or weakened the G-77 negotiation process during the last 25 years?*

A: Yes and No. No, it has not hindered negotiations because we have been able to survive up to now. Yes, because we could have done better with assistance from a secretariat. Up to now, we have had very valuable inputs from the South Centre in Geneva which has provided us with back up material. But this has been purely on an adhoc basis and, at times, at very short notice. This is not beneficial

either for the G-77 or the South Centre.

Q: *What should be the source of funding for such a secretariat? Besides G-77 members, shouldn't the funding sources also include the Perez-Guerero Trust Fund and the Trust Fund for South-South Cooperation?*

A: This is something we have to discuss. Should it be voluntary or mandatory? We should not be too reliant on donations because it may impinge on the work of the G-77. It has to be our institution. But that does not mean that donations are not welcome. The core funding should be from the G-77.

Q: *Do you think there is a need to strengthen the coordination and relationship between the Office of the Chairman in New York and G-77 chapters in Vienna, Paris, Rome, Nairobi, Geneva and Washington DC? What role can a new G-77 secretariat play in upgrading this relationship?*

A: Yes. Right now, there is a lot of effort under the chairmanship of Venezuela to strengthen coordination between New York and the G-77 chapters. But this again has to be institutionalised. After Venezuela, what? Unless this is more formally institutionalised, the coordination will depend on the whims and fancies of different chairmen.

PROPOSAL FOR NEW UN AGENCY FOR AGEING NEEDS CONSIDERATION

UNITED NATIONS, June (G-77/IPS)— The proposal by the Group of 77 to create a new UN agency or international body to deal with ageing needs further consideration, says Ambassador Felipe Paolillo of Uruguay.

In an interview with the JOURNAL OF THE GROUP OF 77, the chairman of the PrepCom for the Second World Assembly on Ageing said the creation of a new agency would depend largely on the terms of reference of such a body.

“Ultimately, the feasibility of the proposal will depend on the amount of resources it can attract,” he added.

The proposal was informally initiated by the Foreign Minister of Venezuela (on behalf of the G-77) at the World Assembly which took place in Madrid, Spain in early April.

Ambassador Paolillo also pointed out that the amount of resources currently devoted to ageing issues in the UN system “does not amount to very much”.

Excerpts from his interview:

Q: *What are the concrete achievements of the Second World Assembly on Ageing which was concluded in Madrid recently?*

A: 159 Member States attended the Second World Assembly on Ageing and adopted the Madrid International Plan of Action and the Political Declaration. Together, these documents provide new guidance on policy develop-

ment and thinking on ageing for the twenty-first century, and they are a blueprint for the necessary international response to the opportunities and challenges of population and individual ageing. The actions they call for will be the basis of the worldwide effort to build a society for all ages. A significant accomplishment is the fact that the International Plan pays particular attention to developing countries and that it squarely places ageing in a development context. It furthermore recognizes the need for a multi-sectoral approach to ageing and development, and the need to mainstream ageing into the subject of global agendas. Ageing should no longer be perceived as an afterthought or appendix issue nor should it be seen as solely a social welfare issue. It must be given due attention in global and institutional structures. We have sought to ensure, in Madrid, that ageing will be given a basic place in all development agendas.

Q: *How successful was the implementation of the International Plan of Action adopted by the First Assembly on Ageing 20 years ago?*

A: The 1982 Vienna International Plan of Action on Ageing was successful in placing ageing on the global map. It was considered groundbreaking in redressing global views on ageing and in advancing the subject up the UN agenda. At that time, population ageing was not yet an issue in developing countries. Consequently many observers viewed the Plan as focussing more on the developed world largely

in terms of taking care of persons then termed “the elderly”. Without being a burning issue for the developing countries, the implementation of the original Plan of Action received only limited attention. Still, in the 20 years since Vienna, a succession of initiatives initially spurred by the 1982 Vienna Assembly brought us in 2002 to Madrid. Among these, the International Year of Older Persons in 1999 on the theme of a “Society for all Ages” was especially important. Since 1982, also, a handful of countries have already experienced an historic demographic reversal, whereby persons 60 years and over outnumber children under 15 years; in 30 years’ time, this will be the case in about 50 countries, including China.

Q: *Are you confident that the new plan of action adopted in Madrid will be fully implemented? How much of financial resources are needed for its implementation?*

A: The implementation process has already begun, starting at the regional level. The UN ECE has been developing an implementation strategy, which will be adopted in Berlin in September, the Latin American and Caribbean region is already working on a strategy for implementation and is organizing a series of meetings in this regard, and ESCAP is holding a meeting this fall to discuss implementation and follow-up to the Madrid Plan in their region. Financial resources are always an issue, of course. The Madrid Plan of Action does not contain specific language on costing for its implementation. This does not mean that the implementation is costless. In this regard, the recently concluded Monterrey Consensus bodes well in terms of commitments to increase ODA by both the EU and the USA. Political will was clearly mobilized in Madrid, and I am optimistic that regional and global entities and institutions will come forth as requested in the Plan, because to address ageing now is the most clear-sighted of the options we have before us.

Q: *Why is ageing more of a problem in developing than developed countries? Is it the lack of security and medical insurance in poorer nations?*

A: First of all, we refrain from using the word “problem”. We must, at the start, recognize that longevity is a global accomplishment. We are very much aware, to the contrary, that far too many lives are cut short by war, disease, and poverty, and in particular in developing countries.

Secondly, developed countries took, on average, 100 years for the proportion of their older population to double from, say, 7 percent to 14 percent. This slow pace made the need for adjustments gradual. In a surprising number of developing countries, demographers predict that this same doubling will take place in 25 years or less. This is astonishing, and has implications in every social and economic sphere in the developing world, which is already struggling with broader issues of development. Yes, lack of security is an issue, as is lack of medical coverage. Bear in mind, also, that the majority of older persons in developing countries live in rural areas, where they most often continue to struggle in poverty and with inadequate infrastructure.

Q: *Is the new plan of action gender-specific and does it*

reach out to the difficulties faced more by elderly women than elderly men in our societies?

A: Gender is one of the eleven main themes in the Plan of Action: “Commitment to gender equality among older persons through, inter alia, elimination of gender-based discrimination.” In addition, older women are specifically addressed in the various priority issues as well as numerous recommendations, including income security and social protection, attitudes, and the abuse of older persons, among others.

Q: *What role can debt relief and increased development assistance play in directly or indirectly helping governments to devote resources to care for the world’s ageing population?*

A: Debt relief and increased development assistance are specifically addressed in the Plan of Action. At the global level, ageing issues need urgent attention and the Plan calls on international financial institutions to address this issue, noting the need for speedy and concerted action to address the debt problems of developing countries. Debt relief is at present mostly confined to the HIPC countries. Middle income countries are not included. Consequently, whatever debt relief is achieved will benefit only the poorest developing countries. As debt relief is closely related to PRSPs, the extent to which such papers include strategies dealing with older persons may make debt relief, at least indirectly, relevant to addressing the challenges posed by an ageing population. A substantial increase is required in official development assistance (ODA), if those nations are to reach agreed development goals. Developed countries are urged to make concrete efforts towards the target of 0.7 per cent of gross national product (GNP) as ODA to developing countries, and 0.15 per cent of their GNP to least developed countries. How this ultimately helps developing countries to address ageing will also depend on the priority they give ageing within their development agendas.

Q: *The Group of 77 has proposed the creation of a new international body on the lines of UNICEF devoted to issues of ageing? How feasible is this proposal?*

A: On the opening day of the Assembly, the Ambassador of Venezuela, representing the G-77, referred to a meeting of the G-77 and noted that the G-77 supported the idea of a fund similar to UNICEF to protect the rights of independence of older persons. It was not formally proposed in the Assembly. Further consideration of this proposal would largely depend on the terms of reference of such an agency. Ultimately, the feasibility of the proposal will depend on the amount of resources it can attract. At present, the amount of resources devoted to ageing issues in the UN system does not amount to very much. Whether a new body would be an impetus to change this situation remains to be seen. Also, we must first search for the types of operational interventions akin to immunization campaigns for children that could single-handedly make a similar difference to the lives of older persons.

FINANCING FOR DEVELOPMENT NEEDS FOLLOW-UP MECHANISM

UNITED NATIONS, May (IPS/G-77)-- Ambassador Shamshad Ahmad of Pakistan, co-chair of the Preparatory Committee for the recently-concluded International Conference on Financing for Development (FfD) has emphasized the need to "stay engaged" in order to continue the process beyond the Monterrey meeting.

The "Monterrey Consensus", he said, has provided a general framework to realize the goal of financing development. The follow-up to the Monterrey Consensus should be built on these foundations.

"There is a need to operationalize the general framework into an effective follow-up mechanism," Ambassador Ahmad said in interview with the JOURNAL.

Referring to the preparatory meetings he co-chaired, the Pakistani envoy said it was the first time in UN history that a final outcome document was ready weeks ahead of the conference.

And most significantly, it represented a consensus with no dissenting voices. Every stakeholder was involved, he added.

But he expressed disappointment with the first follow-up meeting under the auspices of the Economic and Social Council (ECOSOC) in which the World Bank, the International Monetary Fund (IMF) and the World Trade Organization (WTO) participated.

This high level meeting was the first significant step towards initiating the process of follow-up as envisaged in the "Staying Engaged" section of the Monterrey Consensus.

"I expected something to emerge out of this meeting. But there were no concrete ideas or specific proposals towards the implementation of the Monterrey Consensus. We had the same old cliches," he added.

Ambassador Ahmad conceded that the document finalized in Monterrey was not a perfect document. "It did not contain what everybody wanted, but it contained what everybody was ready to accept."

The United Nations, he said, has gained notoriety as one of the largest consumers of paper and one of the largest producers of waste paper.

The idea is not to keep producing papers and documents. While declarations and debates are useful, they should be followed up with practical steps.

He called for creation of a high-level Contact Group which should also include presidents of the General Assembly and ECOSOC, representatives of ECOSOC, heads of the Bretton Woods institutions and WTO, and chairman of the Development Committee (joint Committee of the World Bank and IMF).

The Contact Group should be entrusted with the task of preparing proposals on the following issues:

** How to ensure constant interaction among the intergovernmental bodies of the various institutional stakeholders and the UN system, particularly at the political level.

** How to promote effective implementation of the Monterrey Consensus in the respective institutions?

** How to make the outcome of the ECOSOC-Bretton Woods institution high level meetings and the high-level dialogue of the General Assembly more action-oriented.

** How to make the high-level dialogue of the General Assembly more open and inclusive?

Ambassador Ahmad also proposed the following which may also be considered through an ECOSOC consultative process.

First, the establishment of ministerial level implementation review task force dealing with each section of the Monterrey Consensus. This could help in building the necessary political momentum required for effective implementation.

Second, the launching of a multi-stakeholder round table that would develop practical proposals for the utilisation of resources announced at the Monterrey Conference, particularly for achieving the Millennium Declaration goals.

Ambassador Ahmad described the Monterrey Consensus as just the first step in a long drawn out process -- "the first building block of the process that will lead to our objective."

He also pointed out that there is empirical evidence that global markets fall short of addressing the social development aspects of economic activity.

Trade must now become the main tool of development. Trade and development are inseparable. WTO must demolish protectionist and exploitative trade regimes to bring market forces in line with development needs, he added.

Asked if he sees the need for a FfD Secretariat to help implement the process, he said there should be such an outfit if the United Nations is to "stay engaged." "There has to be some kind of mechanism in the Secretariat to achieve this objective."

The Monterrey Consensus was a seminal document which should not be subject to routine and linguistic five yearly or ten yearly reviews-- as has been the case with some other seminal documents adopted at various UN conferences.

"We don't need Monterrey plus Five or Monterrey Plus Ten", he said, adding that the bottom line is: "We need sustainable and equitable development for which requisite resources, both domestic and external, must be generated."

He also said that "we need equitable terms of trade, enhanced aid and its proper utilisation, rationalization of debt burdens and shared decision-making in the global economic management. We need implementation of the development norms, including those of good governance and rule of law as agreed in the Monterrey Consensus."

"And we need coherence and collaboration between and among all stakeholders, and between the global monetary, financial and trading systems," he added.

MONTERREY CONSENSUS A RADICAL DEPARTURE FROM THE WASHINGTON CONSENSUS

By *Cristián Ossa*

The term "Washington consensus" emerged a dozen years ago in an important article by John Williamson in which he tried to characterize the set of economic policies that would lead almost inexorably to more rapid growth, particularly in Latin American countries. At that time, the economies of the United States under President Reagan and of the United Kingdom under Prime Minister Thatcher had scored some success, a number of developing countries were growing rapidly with export-led growth and the fall of the Berlin Wall was perceived by many as the evidence that market economies functioned decisively better than centrally planned economies.

These were the key elements of the "Washington consensus": fiscal discipline; redirection of public expenditures to activities with high returns such as education and primary health care; tax reform to widen the tax base; interest rate liberalization and tight monetary policy; a competitive exchange rate; trade liberalization; liberalization of foreign investments; privatization; deregulation; and secure property rights. These policies, several of which were key ingredients of the adjustment programmes negotiated between developing countries and the Washington-based Bretton Woods institutions in the 1970s and 1980s, were embraced more forcefully by these institutions in the 1990s. Since the early 1990s, the advice from many donor countries and international institutions to borrowing countries focused on these policies. The "Washington consensus" became an important operational device, regardless of whether the country was an emerging market economy, a least developed country or a former Soviet Republic.

By the late 1990s, however, there was increasing dissatisfaction with development trends. Many countries that had made serious efforts to implement most - if not all the policies - advocated by the "Washington consensus" had not experienced the expected surge in private investments either from domestic

entrepreneurs or foreign concerns. In other countries, foreign capital inflows increased but often were largely of a short-term or speculative nature leading to the so-called Mexican crisis, the Asian crisis and the Russian crisis whose reverberations even today affect several developing countries.

By end 1997, at the initiative of several countries in Africa, Asia and Latin America, the United Nations General Assembly adopts a resolution to consider the convening of high-level consultations on Financing for Development. Gradually, momentum builds-up through an innovative process of deliberations in which the World Bank, the International Monetary Fund, the World Trade Organization, regional organizations, representatives from the business community and civil society participate. The process finally leads to an international conference in Monterrey, Mexico from 18-22 March. There, more than 50 Heads of State or Government from Africa, Asia, Europe and Latin America, including President Bush and Prime Minister Chretien, and with the participation of about 200 Ministers of Finance, Foreign Affairs, Development Cooperation and Trade, adopt the "Monterrey consensus". The document - brief by United Nations standards - delineates in a dozen pages the institutional reforms and reorientation of policies that developing and developed countries must undertake as well as the international cooperation policies and the role that international organizations must play to enhance the mobilization of resources in order to accelerate development and eradicate poverty worldwide.

The "Monterrey consensus" is radically different from the Washington consensus in key aspects. First, while the Washington consensus was largely an intellectual construct based on a few success stories in Latin America and emerging practices in the Bretton Woods institutions which then became a kind of guide for donor countries and international institutions to condition their aid, the "Monterrey consensus" is the result of a political agreement among all mem-

bers of the United Nations. Secondly, while the "Washington consensus" deals with the set of policies that recipient countries should follow, the "Monterrey consensus" underscores shared, mutual responsibilities. It highlights the commitment to a set of reforms and policies to improve the domestic environment for enhanced mobilization of domestic resources and increased investments in recipient countries and to the set of reforms and policies required from developed countries to improve international economic environment, including international cooperation policies and the reform of the international financial architecture. Thirdly, while in the background of the "Washington consensus" there is the implicit objective of minimizing the role of the State through heavy reliance on market forces and privatization, the "Monterrey consensus" - notwithstanding its recognition of the key role of market-led development - takes a more pragmatic, less ideological, approach. The emphasis of the latter is on improving the quality - not necessarily affecting the size - of State participation and recognizes that "the appropriate role of government in market-oriented economies will vary from country to country." Fourthly, the "Monterrey consensus" goes much farther than the "Washington consensus" in identifying the factors that determine the enabling domestic environment. It emphasizes the need for good governance, solid democratic institutions, respect for human rights and gender equality together with market-oriented policies.

Regarding bilateral and multilateral cooperation, the "Monterrey consensus" is much more explicit than the "Washington consensus". The latter largely assumes that financial resources from the developed countries and international financial institutions will flow if recipient countries embrace the set of policies prescribed in the "Washington consensus". In the "Monterrey consensus", developed countries and the relevant institutions are explicitly committed to a major effort to assist institution build-

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ing and support the strengthening of human capacities in developing countries, particularly to enhance the domestic financial system and trade policy formulation and implementation. It calls for much increased official development assistance accompanied by measures to make delivery, absorption and outcomes of such assistance less costly and more effective. The "Monterrey consensus" reaffirms the decision at Doha in November 2001 to place the needs and interests of developing countries at the heart of the work programme of the World Trade Organization. It also underscores the importance of domestic and international corporate responsibility and international cooperation efforts to mitigate the impact of the excessive volatility of short-term capital flows. The "Monterrey consensus" agrees on dealing with current debt problems

taking into account recent proposals and innovative modalities to tackle such problems. It addresses key issues of the international financial architecture to reduce the likelihood of financial crises and contagion and calls for measures for increased participation of developing countries in international economic decision-making. Its last chapter contains an important agreement regarding implementation and a periodic evaluation of results with participation of all the main stakeholders.

In sum, the "Monterrey consensus" is much more ambitious than the "Washington consensus", it has a broader perspective, and focuses not only in the duties of recipient countries but also on the substantial efforts required from donor countries and international organizations. Its implementation is a shared responsibility.

DEVELOPING NATIONS NEED ACCESS TO MARINE TECHNOLOGY

UNITED NATIONS, May (IPS/G-77)-- The Group of 77 has stressed the importance of capacity building in marine science and technology in developing nations.

Addressing an open-ended meeting of the Informal Consultative Process on Ocean Affairs, a G-77 spokesman said the lack of diverse types of resources for access to technology and marine information is a matter of great concern to developing nations.

"We believe it is of capital significance to have international and regional cooperation in this regard. This cooperation is also necessary to promote scientific marine research among developing countries, as well as to offer them all the information resulting from this research and the applications of technology".

Likewise, it is important to create a mechanism to ensure that national and regional institutions engaged in marine scientific research, in those areas under State's jurisdiction, the spokesman added.

Information, reports, data, conclusions and assessments should be available in a comprehensible and compatible format to all coastal States.

International and regional cooperation, as well as capacity building, are also significant in order to strengthen infrastructural and economic bases for export trade in fisheries products.

Related to specific areas of coordination, the G-77 and China consider that international, intergovernmental and interagency coordination on ocean issues is now more critical with the demise of the Subcommittee on Oceans and Coastal Areas (SOCA).

The Group gives the utmost importance to work that has been taking place within the Open-ended Informal Consultative Process. "This is why we welcome this Third Meeting of the Process," he added.

These meetings have a particular meaning this year, as the United Nations celebrates the 20th anniversary of the inauguration of the signing of the UN Convention on the

Law of the Sea.

"We would like to take this the opportunity to highlight the importance, for those States Parties to the Convention, to consider this international instrument as the legal framework applicable to all the activities realized in the oceans and the seas".

With regard to the agenda, the Group expressed its agreement with the items that will be discussed this year, namely: the protection and preservation of the marine seabed; capacity-building; regional cooperation and coordination; and integration of ocean management.

"All those aspects of marine science and technology should be duly studied with special attention to the needs of the developing countries-- particularly the sustainable development of these areas," the spokesman said.

Perhaps a more workable and practical way to continue the coordination functions of SOCA lies in strengthening the Division of Ocean Affairs and the Law of the Sea (DOALOS).

"This raises the important question of the future of the Process. In this regard, we consider that it has certainly made a marked impact in deepening and broadening the General Assembly discussions and treatment of Ocean and Sea matters".

To have a comprehensive approach, it is important to take into account the following aspects in discussions of Panel A: pollution in oceans and seas and their impacts on fresh water resources; impacts of pollution in fragile ecosystems; ballast water and its impacts on marine environment; dumping of wastes; hazardous wastes; radioactive and chemical wastes; marine pollution in coastal areas and its effects on agriculture and fresh water; crisis management in emergency situations.

"At the same time, we welcome the reference to marine security, particularly as it states the necessity to adopt measures to prevent terrorism acts that would threaten the security of passengers, crews and ships," he added.

NAIROBI CHAPTER WELCOMES UN-HABITAT'S AGENDA FOR URBAN GOVERNANCE

NAIROBI (G-77/IPS)— The chairman of the Nairobi chapter of the Group of 77 has welcomed the launching by UN-Habitat of two new campaigns: security of tenure and urban governance in developing countries.

Addressing the first session of the UN-Habitat's World Urban Forum in Nairobi, Ambassador German Garcia-Duran of Colombia said the two campaigns are aimed at achieving the initial twin goals of the Habitat agenda, namely, adequate shelter for all, and sustainable human settlements development in an urbanising world.

"The Group of 77 feels that there should be transparent and efficient monitoring mechanisms to evaluate the results so far achieved and assess the future of the campaign."

He also said: "We are aware that innovative strategies adopted in the implementation phase, such as national legislation pertaining to urban land, measures against unlawful evictions, participation of all stakeholders, inclusiveness, slum upgrading, capacity building at various levels, good urban governance toolkits, women empowerment and micro credit, are some of the outstanding features of the on-going campaigns".

Recent statistics, he pointed out, show that the urban population is projected to double in the next few decades, with most of this increase occurring in the developing countries.

It is further estimated that a quarter of the world's population, currently living in cities, do not have adequate housing and lack access to basic services and infrastructure.

A disheartening phenomenon, reflected in the State of the World Cities Report 2001, is the increasing urbanisation of poverty accompanied by other socio-economic problems culminating in cities being divided into haves and have-nots, the established and the marginalised, offering disparate opportunities for men and women, he added.

"This gap seems to be widening unabatedly. One has the sense that urbanisation follows the analogy of globalisation, the latter exacerbating the difficulties of human settlements development in cities as a result of uncontrolled rapid urbanisation. The developing world is faced with a tide that is difficult to stem and, unfortunately, also difficult to respond to in a well-formulated and pro-active manner," he added.

Similarly, people living in rural areas, who constitute half of the world's population, with the majority residing in developing countries, face daunting challenges concerning human settlements.

The lack of integration of urban and rural development, more often than not, results in the deprivation of infrastructure and other basic services, he said.

"Interdependence between rural and urban areas, characterised by the circular migration of people, reflects a complex phenomenon. This occurrence, in tandem with the hybrid nature of cities in some developing countries, impacts heavily on sustainable management policies," he added.

Human Settlements Development is a basic element of the sustainable development paradigm that clearly straddles the nexus between its social, economic and environmental pillars.

The imbalances in the emphasis as well as in the materialisation of the goals in these spheres need to be addressed.

Two aspects meriting emphasis in this regard are the transfer of technology and capacity building together with favourable international co-operation including the existing as well as innovative multilateral financial mechanisms interacting with domestic ones that facilitate access to credit even to the poorest, he pointed out.

Ambassador Garcia-Duran also pointed out that to apply a symmetric view and balanced action, all related concepts in the field of human settlements must be addressed comprehensively and in a functional package.

Among others, he said, the aspect of "illegal settlements" which is often accompanied by occupation, crime, and violation of basic human rights, must be collectively condemned. The prime example is the situation in the Middle East where there is mass destruction of human settlements and violent loss of hundreds of lives.

He also warned that the HIV/AIDS pandemic is one aspect of immeasurable catastrophic consequences to the developing countries.

"It is deeply affecting the overall fabric of our societies. Unless serious and sustained efforts are made at international level, many countries will be left with an unbalanced society: the very young and the aged on the one hand and an eroded economic-active section on the other," he added.

Among such efforts special emphasis must be placed on the implementation of the right of access to anti-retroviral drugs at affordable costs.

A means to replicate the success attained *inter alia* in countries like Uganda, Brazil, Thailand and Cuba in restraining the devastating spread and effects of the pandemic should be developed. Other means, such as promotion of the family as the basic unit of society, should also be encouraged, he added.

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