



**Statement by H.E. Mr. Alhabib  
Deputy Permanent Representative of the Islamic Republic of Iran  
at the Fifth High-Level Dialogue on Financing for Development  
(New York, 7–8 December 2011)**

*In the Name of God the Merciful the Compassionate*

**Mr. President,**

My delegation associates itself with the statement made by Argentina on behalf of G77 and China.

Realizing the internationally agreed development goals particularly those related to address poverty and hunger would mark a great achievement in shaping a world free from *want*. Eradicating poverty is the gateway towards achieving other development goals. It is, however, quite alarming that the number of people suffering from hunger now exceeds one billion. Dignity of one sixth of the world population hangs in balance. There is an urgent need for delivering the commitments made by the developed countries to redress the past failures, while making new and additional commitments for assisting them facing new challenges posed by the financial and economic crisis. It is disappointing to notice that the world despite all optimisms, will most probably miss its 2015 target of halving the number of the poor.

As a matter of fact, most developing countries despite undertaking economic reforms and putting in place sound economic and financial policies at home and opening their economies up to market principles are severely confronting with multiple, interrelated global crises and on top of them consequences of the economic and financial crisis. Indeed, the more they exposed themselves the more they suffered. While, this fact highlights yet again the importance of the meaningful role of State in support of development as well as the significance of an enabling external environment, reveals the fact that a supportive fair international environment is far from realization.

Domestic reforms and resource mobilization, ODA, humanitarian assistance and increasing South-South cooperation have proven to be insufficient for overcoming the challenges that developing countries, and in particular the poorest among them, are confronting. Unless there is a real shift at the systemic level towards creation of an open, transparent, nondiscriminatory and rule based world economic order, regardless

of what developing countries do at home or among themselves, they will always remain vulnerable to external shocks.

**Mr. President,**

Global economic governance, apparently, lags behind the current global trends pertaining to transparency, accountability and democratic representation. Subsequently, the outcomes and outputs of such structure do not enjoy global legitimacy and ownership.

The global trade and financial governance needs to work for development. In our understanding, however, the solution does not lie in shifting from one exclusive mechanism to another. At the same time, simply trading off of voting powers to reflect the current shares of players in the global economy is but a reminder of the pattern exploited in 1945. These changes will not fix the global economic governance shortcomings. They will not address the persistent imbalances and inequalities at different levels.

There is an urgent need to revisit the mandate of the current institutions to put stability and development on top of their agenda; create greater coherence between trading system and monetary and financial sectors to reduce the predominance of financial markets over real economy and deeply reform the international exchange rate system to deal with the imbalances at international level.

**Mr. President,**

We recognize the importance of exploring new and voluntary innovative resources for development at both national and international levels. They can be used as supplementary in financing development needs and on top of them fighting poverty, diseases and hunger. Though, much more can still be done, we take note of the progress achieved in this regard so far.

Based on the principle of polluters pay, those activities which have dire adverse impact on world peace, development and stability are the most eligible ones to become subject to an international levy. As a matter of fact, despite the world economic and financial crisis, the worldwide arms sales shows an increase of 22% over the past five years. The business of war is making huge profits while causing agony, destruction and suffering for the world and its people. Perhaps it is the high time for the business of war to undertake its responsibility for peace and development. Hence, considerable resources can be mobilized through imposing a peace and development levy on arms trade.

**Thank you Mr. President.**