

**STATEMENT BY H.E. RODRIGO MALMIERCA DIAZ, MINISTER OF FOREIGN
TRADE AND FOREIGN INVESTMENT OF THE REPUBLIC OF CUBA AND HEAD
OF THE CUBAN DELEGATION ATTENDING THE UNITED NATIONS
CONFERENCE AT THE HIGHEST LEVEL ON THE WORLD FINANCIAL AND
ECONOMIC CRISIS AND ITS IMPACTS ON DEVELOPMENT**

Mr. President,

"The current situation of the global economy and its dismal prospects must lead the rulers and the most lucid minds of developed countries to serious reflection. The storm hanging over us will affect, to a no lesser extent, the world conglomerate of nations. The economic backwardness, the lack of financial means, the severe contraction of foreign trade, hunger, unemployment, and the absence of the most basic living conditions in the Third World, cannot benefit at all the developed capitalist countries in the long run."

This assessment of the global economic and social situation was made by Fidel Castro during the VII NAM Summit Conference in 1983. This prediction continues to be *totally valid*. *If something has changed, it is the fact that the problems denounced back then have become worse.* The selfishness and irrationality of neoliberal recipes have proved the unsustainable character of the system of economic relations imposed to our peoples by the great capital.

The challenges before us are huge. The need for collective solutions to global problems is an imperative not only for development but also for the very survival of the human race.

Our peoples are victims of a global crisis that is persistently presented as a natural cyclic episode by the centers of power.

This is a structural crisis. The main responsibility falls on the major developed countries and transnational corporations which, from the North, have amassed large fortunes out of the suffering and poverty of vast majorities.

In its essence, it is a crisis of capitalism, intensified by neoliberal policies promoting an economic model based on unsustainable production, consumption, and distribution patterns.

The international financial system must be refounded. Its failure does not lie only in deregulation. The current system is antidemocratic and its norms and principles were established according to the interests of a few industrialized powers.

The developing countries and the less-favored majorities in the industrialized world are once again the most affected by the ongoing crisis. The impasse of international

credit, the sharp fall in the prices of most commodities, the increase in unemployment, the rise in the number of the hungry in more than 100 million in only a few months, just to mention some of its manifestations, reveal the magnitude of the serious situation.

But, the worst is that the current economic and financial crisis dangerously manifests itself in the food, social and energy fields as well as in the acceleration of climate change, as a result of the irrational capitalist greed and its production and consumption patterns.

The prompt actions undertaken to bail out the financial institutions in bankruptcy, shamefully contrast with the exiguous outlays to fulfill the Official Development Assistance. The modest Millennium Development Goals we set ourselves to meet by 2015 will not be achieved, for there has been no political will by the developed world.

It is shameful that the International Monetary Fund is the institution designated by the powerful countries to resolve the same crisis generated by the neoliberal adjustment and social cuts policies of such Fund.

Mr. President,

This Conference at the Highest Level on the World Financial and Economic Crisis and its Impact on Development takes place at a defining moment for the future of humankind. The UN General Assembly constitutes the most universal and democratic scenario in the search for effective solutions to the current situation. Cuba welcomes its holding and hopes for concrete outcomes and solutions from this meeting.

The measures adopted in the London Summit by the so called Group of 20 will not provide solution to the serious crisis faced by the world, as they are not aimed at eliminating the root causes of the crisis. These measures are merely adjustments enabling the major developed countries to preserve all the privileges they enjoy today, and to reinforce the very institutions jointly responsible for the crisis.

The 192 large and small States members of this General Assembly, equal in sovereignty, dignity and rights, must be the ones to find an answer to the crisis in a democratic and transparent manner.

The world calls for a truly democratic financial architecture. Enough of Bretton Woods institutions that have only impoverished our peoples and placed us in this serious global crisis. Cuba supports the convening of an International Conference under the aegis of the United Nations, aimed at refounding the monetary and financial system.

This Conference must define the mandates, duties, governance structure, and management procedures of the new international monetary and financial institutions.

Likewise, it must lead us to a pattern of monetary reference not depending on the economic stability, legislation or political decisions of only one country.

The new system must recognize the particular conditions of developing countries and their need for a special and differential treatment. Essentially, it must promote an international economic order based on sustainable development and the generation of wealth on the basis of justice. Its institutions should be subordinated to the United Nations system.

It is our hope that our deliberations contribute to build a better world, which is indeed possible, with the support of all and for the benefit of all, especially of its peoples and of the most vulnerable persons facing the crisis. Regrettably, they continue to be the vast majorities.

Thank you.