



United Nations

Statement

by

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Landlocked Developing Countries and
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at the

**61st Session of the General Assembly
in the Second Committee**

on

**Agenda Item 57 (a):
Implementation of the first United Nations Decade
for the Eradication of Poverty**

New York, 10 November 2006

Madame Chair:

Ten years ago, at its 51st session, the General Assembly declared that “Eradicating poverty is an ethical, social, political and economic imperative of humankind.” As we approach the final weeks of the first UN-declared Decade for the Eradication of Poverty, we must recognize that there has been greater awareness about the nature of poverty and greater acknowledgement of the intrinsic links between eradication of poverty and its positive impact on achievement of global peace. The Decade has also marked by strengthening of global partnership for poverty eradication. The Millennium Summit, the International Conference on Financing for Development, the World Social Summit and the 2005 World Summit as well as the global conferences devoted to addressing the needs of the least developed, landlocked and small islands are all a testimony of the international unity and solidarity in fight against poverty.

Despite all these and other positive developments, **poverty eradication continues to be THE challenge of our time.** It is a shame that more than a billion people are languishing in extreme poverty when we have reached the heights of material progress. Can we call that progress, when such misery and deprivation pervade our world? As we know, poverty has many different faces and affects particularly women and children in most dramatic ways. Poverty constitutes a barrier to human progress.

The invaluable work of Nobel Prize winning economist Amartya **Sen** has contributed to a crucial paradigm shift by focusing international attention from mere income deprivation to a different, multidimensional concept of poverty and development: from measuring development in terms of GDP per capita and poverty in terms of mere income deprivation, to a characterization of human development in terms of expansion of valuable human capabilities, with a great emphasis on individual freedoms and rights.

To fight poverty in this all embracing perspective is to ensure **human security.** In our ever more interdependent world, this means: to protect the vital freedoms of people from critical and pervasive threats deriving from deprivation, economic downturns, and diseases, and to empower

them to cope with such dangers. These are the functions of any well-governed state. I would like to assert here very strongly that the eradication of **poverty is central to global stability and peace**.

As the report of the Secretary-General under consideration in document A/61/308 asserts, a human rights approach to poverty reduction is now being recognized and implemented internationally. Such an approach links poverty reduction to obligation, rather than welfare or charity and requires policy makers to identify the most vulnerable people to come out of poverty and destitution. As the Secretary-General has said, “The poor are seldom poor by choice. Very few people in this world enjoy living on handouts. Most poor people know that they are quite capable of earning their living by their own efforts, and are eager to do so. But they must be given a fair chance to compete”. The report’s articulation of human rights as a tool to eradicate poverty should receive close attention of the Committee.

The core of global deprivation is found in the conditions of abysmal poverty that characterize the world’s **fifty Least Developed Countries**. Thirty-four of these are in the African continent. As a matter of fact, East and South Asia and sub-Saharan Africa are home to 93 percent of the world’s extreme poor.

It is globally agreed that poverty is partially determined by the ability of households to access capital and other essential financial services that allow them to generate greater returns and handle cash flow fluctuations. Whether to start an enterprise, save for a child’s schooling, insure against natural disasters, or cover health care costs, access to **microcredit** and other financial services can significantly improve the lives of people living in poverty. By directly empowering people, particularly women, microcredit is a wise investment in human capital and has become one of the key grass-root level strategies for the achievement of the overarching development target of halving extreme poverty and hunger by 2015. A growing body of empirical evidence supports this view and shows how significantly microcredit programmes provide to poverty reduction in various parts of the world. Experience of the Least Developed Countries shows that microcredit is an effective tool of poverty eradication and empowerment of people, particularly women. What a wonderful news that this empowering initiative has brought the Nobel Peace

Prize this year to the father of microcredit, Muhammad Yunus and his pioneering institution Grameen Bank. Let me announce here that the UN community would have the pleasure of welcoming and listening to him next Friday on 17 November. As part of the 2006 Poverty Forum, my Office is also holding a special event on “Breaking the cycle of poverty: Challenges and opportunities for the LDCs” on 16 November.

The just-concluded High-Level Meeting of the sixty-first session of the General Assembly on the midterm comprehensive global review of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 has recognized that despite some progress, the socio-economic situation in the LDCs remains precarious and requires continued attention of the international community. It also concluded that given current trends, it is unlikely that most of LDCs will achieve the goals and objectives of the Programme.

Development in the LDCs is constrained by many factors: the structural weaknesses of their economies; their limited human, institutional, technical, trade and productive capacities; inadequate infrastructure; limited capability to mobilize domestic and attract external resources; unsustainable foreign debt; high vulnerability to external economic shocks; repeated natural disasters; continuing conflicts and the prevalence of communicable and non-communicable diseases, including HIV/AIDS, malaria and tuberculosis. Rapid population growth, increasing urbanization and serious environmental degradation aggravate extreme poverty in the LDCs. Climate change has emerged as a new challenge for sustainable development in the LDCs, in particular those in Africa and the small islands. Fight against poverty also calls for good governance, at the national and international levels.

The task of poverty eradication cannot be accomplished in one decade as everybody knows that development is a long process and needs not only will and determination but also patience and great deal of flexibility. One thing is certain: the Decade of Poverty Eradication has started this process. We must ensure that it is neither derailed nor reversed.
