

United States Statement at UNCTAD XII
Accra, Ghana

Delivered by:

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Honorable delegates . . .

The United States thanks Ghana for its warm hospitality in hosting this conference and recognizes the unseen hard work and commitment behind such an event. Appropriately, this setting also recognizes Ghana's accomplishments in sound governance and economic reform. The United States is honored to participate in this important meeting. We have a critical challenge ahead of us in setting the United Nations work plan on trade and development for the next four years. We urge all member states to use this week to explore how we can best harness the power of trade to foster growth. To that end, we must position UNCTAD so that it can identify its goals, set benchmarks, and evaluate its performance. We seek an open discussion about UNCTAD leading to sound decisions on how it can transform itself into a more effective, stronger organization to reach our shared development goals.

Unfortunately, UNCTAD seems to have become an organization where member states dwell on their differences. It appears that we have lost track of our objectives and our purpose in convening this conference. While respecting our differences, we need to focus on where we can find agreement. If we are to succeed at reaching the internationally agreed development goals, we must remember that UNCTAD's core mandate is to help developing countries benefit from the expansion of trade. We should not, in Accra, attempt to negotiate topics beyond the purview of UNCTAD.

If we succeed in setting a four-year plan for UNCTAD that is realistic, focused, and adds value, UNCTAD can regain its rightful place as a serious forum and agent of change in trade and development. Otherwise, it risks slipping into irrelevance. To avoid that fate, the United States urges UNCTAD to embrace its potential as a powerful force to help countries increase their capacity to trade and further engage with the global economy.

UNCTAD does not exist for its own sake, but rather as a focal point for research and analysis on key trade and development issues, multilateral discussion ideally leading to agreement on effective policies and initiatives,

and for implementation of trade-capacity building programs to help countries grow. The United States is disappointed that UNCTAD is still operating without a permanent Deputy Secretary General and seems to have no evident plan to fill this vital position. Moreover, there seems to be resistance within UNCTAD to implementing organizational reforms that could make for a more streamlined, transparent, and effective body.

On the substance of this meeting, we are struck that throughout the negotiating process for the UNCTAD XII outcome document there has been a push to delete all references to “good governance” and at the same time to insert language on “policy space,” which we understand to mean that countries can pick and choose when they want to respect international commitments and agreements to which they are party, notably those that mandate economic policy performance. While we respect all countries’ sovereignty, and recognize that different conditions may require different policy choices, we do not see how denying the critical role of good governance is constructive, progressive, or consistent with the goal of development.

More than a decade of work by the World Bank Institute has conclusively proven that good governance by states improves the welfare of their citizenry. Indeed, in the Monterrey Consensus all participants recognized, and I quote, “Good governance is essential for sustainable development. Sound economic policies, solid democratic institutions responsive to the needs of the people, and improved infrastructure are the basis for sustained economic growth, poverty eradication and employment creation,” end quote. This is true for every country, developed and developing alike. We hope this conference will similarly acknowledge the power of good governance and not only support references to good governance in the Accra Accord, but insist upon them. Moreover, we hope our partners will insist that UNCTAD make promotion of good governance a principle across all three pillars of its work.

The United States emphatically supports a robust and effective UNCTAD. At the UNDP Board meeting in New York this past January, the United States was the only member to speak out in favor of UNCTAD’s need to be included in UN development efforts in the field. We believe in the power of trade to lift people out of poverty. In fact, the United States is the third largest voluntary funder of UNCTAD technical cooperation programs. The

United States is especially impressed with UNCTAD's entrepreneurship, customs, science and technology, and debt programs as well as its Investment Policy Reviews. We commend the organization's associated technical programs -- EMPRETEC, ASCYUDA, and DMFAS. They deliver real results and make a significant difference in developing countries. In fact, our host, Ghana, is a best-practice EMPRETEC model for entrepreneurship. Moreover, these are services where UNCTAD enjoys a competitive advantage, as no other development agencies provide the same level of targeted expertise. For supporting these commendable efforts, the United States has been accused of wanting to turn UNCTAD into a technical assistance agency. Yes, we believe that UNCTAD should do more on the ground to actually help developing countries build local capacities to better compete in a global economy. We have admired how UNIDO has transformed itself to become the leading UN agency providing trade-capacity assistance in the field. But where is UNCTAD?

While the U.S. does believe that UNCTAD should prioritize its work to expand its excellent technical assistance, the international development community will always welcome quality research. UNCTAD, through its research and reports, certainly has a role to play in providing guidance to

developing countries on how best to build capacity to trade. These reports, however, should be peer-reviewed and UNCTAD should better consolidate its activities so that there are clear synergies and consistent messages across its research, technical programs, and meetings.

We are concerned that UNCTAD takes on more issues than it can effectively handle. We urge UNCTAD to prioritize, focus, and streamline its activities, and pursue areas within its mandate where it can have meaningful impact. We discourage it from expanding its work plan to the point where its utility is questionable and its purpose diluted.

Ultimately, we want UNCTAD to succeed because we care about development and poverty alleviation. UNCTAD has an important role to play in reaching development goals. It can help countries make and implement sound choices to build systems that support market economies, attract foreign direct investment, and create an enabling environment for entrepreneurship and sustained economic growth. This approach, not expanded foreign assistance levels, will ultimately alleviate poverty in the world's poorest countries. UNCTAD can also support international efforts to build a freer and more open world economy from which all can benefit.

Most importantly – as the United Nations’ focal point for trade and development – it can support efforts to bring the WTO Doha Round to a successful conclusion. The WTO Doha negotiations are simply the most practical and most promising anti-poverty initiative in the world. Estimates, in fact, suggest that a successful conclusion of the WTO Doha Round could lift tens of millions of people out of extreme poverty.

The challenge before us in Accra is to focus on the results we, as trade and development partners, wish to achieve. Over the course of this week we should: share best practices and exchange success stories; consider the challenges and opportunities that lie ahead in global trade; and, develop a focused, results-oriented, and achievable action plan to position UNCTAD to effect positive change. We recognize that we will not agree on every approach. But, in a spirit of genuine cooperation, we look forward to working together with all of you to position UNCTAD to play a more effective role in advancing trade and development. The United States is fully committed to a successful outcome of UNCTAD XII, and we again thank our Ghanaian hosts for providing the excellent venue in which to achieve it.

Thank you.