

21 March 2002

**Statement of H.E. Dr. Han Seung-soo,
President of the 56th Session of the General Assembly,
at the International Conference on Financing for Development
Monterrey, Mexico**

President Fox, Distinguished Heads of State and Government, Secretary-General Annan, Excellencies, Ladies and Gentlemen:

I would like to express my profound gratitude to the government and people of Mexico for hosting this meeting. The contributions that Mexico, under the leadership of President Fox, is making to better global governance are a source of inspiration and encouragement for the entire international community.

Mr. President

Now, more than ever, the challenge of development is the central task confronting humankind. The rapid pace of globalization and the rise of information technologies give an added urgency to the development agenda.

Countries that fail to grasp these unprecedented opportunities in time risk falling permanently behind in the race for development.

In September 2000, the world leaders gathered in New York adopted the United Nations Millennium Declaration, which presents a clear vision for the future and, on that basis, sets forth international development targets to be achieved by 2015.

Something must be done to galvanize the global political will for an accelerated drive to meet the Millennium Declaration targets. This conference is our best hope to provide the needed momentum.

In the wake of 11 September, we were forcibly reminded that development, peace and security are inseparable. Underdevelopment and extreme poverty are the breeding ground of violence and despair, thus undermining peace and security for developed and developing countries alike. When the terrorists struck the United States last year, they also dealt a heavy blow to the fragile economies of scores of developing countries.

We must find a way to break the vicious cycle of poverty, despair, and violence. And I am convinced that the UN Millennium Declaration points the way forward.

I need hardly emphasize that each country should take primary responsibility for its own economic and social progress. In this regard, I also want to stress that no country can achieve sustainable development without meeting at least three preconditions. First, it must have access to financial resources, domestic or external, or most likely a combination of the two. Second, it needs the human capacity to efficiently absorb those resources and the wherewithal to build greater human capacity as more resources are generated. And third, it requires the appropriate intangible infrastructure such as markets to make productive use of the available resources.

The core elements of intangible infrastructure include free enterprise, good governance, sound macroeconomic policies, a strong anti-corruption ethic, and transparently applied rule of law.

Often developing countries lack an adequate level of domestic savings to finance rapid development. Also, during certain periods and in certain circumstances, inflows of external private capital may also fall far short of what is needed. Under such conditions, Official Development Assistance (ODA) plays a crucial role for promoting development.

The importance of domestic savings, foreign borrowings, FDI, and ODA in financing development should not be understated. However, I believe that the most important potential and very self-relying source of such financing for the developing countries is export earnings. In the post-World War II period, virtually every country that has completed the transition from underdevelopment to development has relied primarily on income from exports. This pattern of development can be no less apparent at the start of the 21st century, the century of globalization.

But for such a strategy to succeed, we need a free world trading system within which the developed countries must make their markets more open and accessible to the developing countries and maintain the high levels of growth needed to absorb ever rising imports. And so it is gratifying to note that the U.S. economy is now showing signs of recovery.

Mr. President

I am pleased to note that the Monterrey Consensus includes the recognition that the United Nations, particularly the General Assembly, together with the Economic and Social Council, should play a central role in enhancing coherence, governance, and consistency of the international monetary, financial, and trading systems. Based on my own experience of the General Assembly, I firmly believe that the United Nations General Assembly and its High-level Dialogue constitute the most appropriate forum for monitoring and facilitating implementation of this Conference's outcome, given its universal membership of 189 states and its character as the chief deliberative and policy-making organ in the United Nations system.

It is my profound hope and sincere expectation that through the Monterrey Consensus the global community will be able to achieve the internationally agreed upon goals and objectives, including those contained in the Millennium Declaration. Taken as a whole, these present to us a vision of mankind's future that should inspire our best efforts on behalf of the six billion human beings alive today as well as generations yet unborn.

In his Nobel Lecture for 1990, the great Mexican writer Octavio Paz lamented as such: “The advanced democratic societies have reached an enviable level of prosperity; at the same time they are islands of abundance in the ocean of universal misery.” I believe that the global community has both the power and the will to cause that ocean to recede and, in time, to build up continents of prosperity where once there were only islands of abundance. Let us commit ourselves heart and soul to this most ambitious of all reclamation projects.

Thank you.