

**STATEMENT BY H.E. MR. CLEMENT J. ROHEE, MINISTER FOR FOREIGN AFFAIRS OF THE REPUBLIC OF GUYANA, AT THE CEREMONY MARKING THE TURNOVER OF THE CHAIRMANSHIP OF THE GROUP OF 77**

**New York, 13 January 2000**

Your Excellency the Minister of Foreign Affairs of Nigeria,  
Distinguished Secretary General,  
Excellencies,  
Mr. Administrator,  
Distinguished Delegates,

At the start of this millennium year, I would like to extend to you all on behalf of the Government and people of Guyana, warmest greetings and good wishes for the future.

The world has now stepped through the portals of a new century and of a new millennium. Behind us lies a chequered history - of conflict and peace, prosperity and poverty, accomplishment as well as failure. Ahead of us stretches the future with as yet unforeseen challenges for all - but more particularly for the developing countries. What we make of it will depend on our ability to learn from the past and to be courageous enough to explore new pathways for the development of our countries.

The Group must consider itself fortunate to have as its incoming Chairman, at this crucial point in time, a country such as Nigeria. As a respected founding member, Nigeria is certainly qualified and capable to provide us with the close coordination which is so crucial to our forward march. On behalf of us all, I offer to the Honourable Minister and his delegation our warmest congratulations and good wishes for a very successful term of office. It goes without saying that they can count on our full and ready cooperation in discharge of their many responsibilities.

We are naturally pleased that the distinguished Secretary-General of the United Nations, Mr. Kofi Annan, has been able to join us for this ceremonial meeting. Your presence and that of the new Administrator of UNDP, Mr. Mark Malloch Brown, assures us of your continuing commitment to the cause of development and to close cooperation with our Group. We bid you a warm welcome.

Excellencies, Distinguished Delegates,

During the last decade of the nineties, developing countries saw some promise of economic growth. Some in East Asia were able by dint of effort to reach new levels of development. Others in Africa, Asia, Europe and Latin America and the Caribbean stood in profound admiration of these achievements, hoping to emulate their example and to replicate their success. However, such aspirations proved to be short-lived, destroyed by the sudden financial crisis and the crippling contagion which followed.

While a feared global recession appears to have receded, there is still greater concern over the potential for financial market instability and the overhang of productive capacity in several key economies. No doubt, freer trade in goods and services and the removal of restrictions on capital flows have led some countries to enhanced innovation and productivity, rapid internationalization of production, higher incomes, and improved living standards for their peoples. For most countries, however, there are disquieting concerns which must be urgently addressed at the global level, if wider and more balanced economic and social progress is to be achieved.

The harsh reality is that despite some improvement in the global economy, poverty persists both across

countries and within them. At the dawn of the year 2000, poverty looms large as mankind's greatest challenge particularly in the countries of the South. Everywhere it is prevalent and everywhere it combines with other distressing social pathologies: the marginalization of people and countries; greater instability and a pervading sense of vulnerability; social and economic pressures to use the environment in non-sustainable ways; human deprivation and insecurity all presenting increased threats to international peace and security. And although there have been many protestations of support for the target of halving world poverty by the year 2015 not enough concrete action has been taken to achieve it.

Moreover, whatever growth has occurred has proved to be very uneven in its outcomes. Inequality between countries has been made more stark with the sharp increase in the concentration of income and wealth among a few countries. Some eighty-five percent of the world's population receives only fifteen percent of the world's income. Private flows of resources to the developing world is highly concentrated, with only about a dozen of these countries benefiting from these investments. At the same time, the major decline in official concessional flows over the past few years has aggravated the disequilibrium existing between the North and the South.

Of concern to us as well, must be the slowing down in the long term growth rate of the global economy in the 1980s and 1990s, when compared with earlier decades. The target global growth rate, deemed by UNCTAD to be necessary to secure inroads into unemployment in both the industrialized and developing economies, and to narrow the economic gap between them, is three percent world-wide and six percent for developing countries. This has not been achieved. Since the Asian crisis there has been a slowing down in global trade. Primary commodity prices are now at record lows, leading to the devastation of the farming population in many poor countries.

While the creation of the WTO has provided a mechanism for regulating trade, immense obstacles remain. The scope of WTO activities under the present Agreement is dangerously wide, and wider still if one includes the built-in agenda issues already accepted and the proposals for a New Millennium Round of negotiations to encompass all issues that countries wish to raise. Now that Seattle is behind us, we must use the breathing space between now and Bangkok to sharpen our overriding priorities. One of these is the need to revisit the issue of primary commodity prices in the new trade order. Another is to ensure that developing countries participate fully in WTO" dispute settlement mechanism, have full access to developed countries' markets and are allowed longer transition periods for the implementation of liberalization measures. And of course, equally important, the WTO's operations must be endowed with greater transparency and a sense of fair play.

As we look at the global economy today, perhaps the most striking feature has been the spread of financial volatility - with serious currency and financial crises occurring at roughly two-yearly intervals. Unfortunately, these crises do not end as simple balance sheet adjustments. Invariably they lead to a decline in output, employment, living standards and life expectancy in the affected countries. It must be clear to all that existing institutions cannot cope with these aspects of financial globalization and that, therefore, a need exists to restructure the international financial architecture. We should not fail to pursue this goal.

A crucial dimension of the financial crisis is the burden placed on heavily indebted poor countries. While we now have the Cologne initiative to assist in providing broader, cheaper and quicker debt relief, there is much more that can be done, and indeed needs to be done if we are to halt the increasing marginalization of these countries from the benefits of globalization. The G-77 countries must therefore, continue to urge that the stringent conditionalities still in place be further modified and that relief be extended to provide for outright cancellation of all the debt of these countries. Simultaneously, we must not hesitate to call for a recommitment by donor countries to provide enhanced levels of ODA to reach the accepted target of 0.7% of GDP. To content, as some are wont to do, that ODA is anachronistic, denies the indispensable role which ODA continues to play in the development of the poorest countries.

Moreover, as was evidenced in the preparation of the reviews of some of the major Conferences of the past decade including those on Population and Development, the Sustainable Development of Small Islands, Social Development and Women, the level of support provided by the international community for the implementation of these agreed outcomes has been considerably less than that promised. The result has been widespread disenchantment with the meagre gains that have been realised and perhaps worse yet, serious doubt about the value of international negotiation. This disappointing experience must lead the Group of 77 to ensure that all agreements reached in the future contain clear and dependable machinery for their implementation.

It must be considered encouraging that we managed in 1999 with the cooperation of all our development partners to move toward the holding of an International Conference aimed at placing the financing for development on a more sound and predictable footing. The broad parameters of an Agenda, comprising the eight major issues identified by the UN Secretary-General have now been established. It now remains for us to settle other details conducive to the successful organization of the meeting. A key issue will be the involvement of other major actors such as the international financial institutions. It is imperative that we define clearly the terms of engagement of these entities to ensure their meaningful cooperation.

More immediately ahead of us on the horizon is the first ever South Summit scheduled to be held in Havana, Cuba from April 10 to 14 of this year. The Preparatory Committee has significantly advanced its work on the main final document to be adopted by the Heads of Government. Several panel discussions have been held on the themes agreed upon for the Summit viz. Globalization, Knowledge and Technology and North-South Relations and South-South Cooperation - yielding much intellectual grist for our use. In addition as Chairman, we convened last month in Guyana, a two-day meeting of eminent personalities from the South to make recommendations for a concrete programme of cooperation to be advanced at the Summit in Havana. A summary of the conclusions of this meeting will be put shortly at the disposal of the Preparatory Committee for use as it sees fit.

On a recent visit to Havana, I had the opportunity to exchange views with His Excellency Mr. Felipe Perez Roque, Foreign Minister of Cuba on the prospects for the Summit. We readily agreed on the need to identify ex ante concrete initiatives and programmes of action which can be approved and adopted by interested countries in Havana. It was agreed that there was an urgent need for an intensive publicity campaign aimed at placing the Summit on the international radar screen. To this end, a strategy has been developed to spark interest in the Summit and encourage optimal participation. We have also taken steps to facilitate the participation of delegations particularly those of the LDCs. All indications are that the Havana meeting will go down in history as an important catalyst for improved South-South as well as North-South relations. Coming as it does before the Millennium Summit, it will also serve to potentiate the prospects for success of that later event.

Excellencies, Ladies and Gentlemen,

As we demit office, I would like to place on record our profound appreciation and gratitude to all members of the Group for their unfailing support of our own Chairmanship. Without such support our task would have proved difficult. A special word of thanks must go to those delegations which provided a solid "corps" of assistance to discharge the many obligations that fell to us this past year. This collective enterprise was truly a shining example of the benefits to be gained from working together in unity and solidarity.

Special acknowledgement must be made of our close and constructive partnership with UNDP in particular its Special Unit for Technical Cooperation, which certainly enhanced our capabilities. Nor can I fail to mention the ready help that was always forthcoming from the Department of Economic and Social Affairs and UNCTAD as well as institutions like the South Centre and the Third World Network. Last, but by no

means least, I would wish to pay high tribute to the staff of our small G-77 Secretariat which accompanied us in our work during these busy months.

However, while we remain profoundly appreciative of all assistance received, I would be less than candid were I not to express the view, based on our experience, that the time has come to equip the Office of the Chairman with adequate machinery to perform the functions expected of it. At a time when international negotiations have become both comprehensive and complex, the Group of 77 is not sufficiently served by ad hoc arrangements which though extremely helpful cannot provide the extensive preparation and coordination needed to achieve success in negotiations, especially in dealing with partners who are highly equipped and organized. In recognition of this fundamental deficiency, I am pleased to announce that, in response to an invitation from us, UNITAR will be mounting special training programmes in the art of negotiation specially for G-77 countries, that would wish to develop such expertise. This is, of course, at best, a limited initiative. We must seek to go beyond this if we are to improve our modus operandi and increase our effectiveness.

Excellencies, Distinguished Delegates,

The challenge of coordination and cooperation is rendered especially difficult in a group that now numbers one hundred and thirty-three. The diversity of membership makes it difficult to unify positions. Not surprisingly, therefore, our negotiating stance is often broad and tenuous. Yet this inherent weakness is paradoxically our greatest strength. Comprising as it does the vast majority of the United Nations membership, the Group is arguably a major force in international economic and social affairs. Indeed, it is exciting to think what could be achieved if only we could harness our numerical strength to achieving our stated objectives. The means for so doing are self-evident: not only must we concentrate more on those issues which unite us but we must also go on to elaborate negotiating positions that are strong and inclusive.

Of course, it is always easier to speak of problems than to solve them. Yet, I believe that our situation is such that it requires us to adapt rapidly to this new era of globalization and economic liberalization. For unless we develop this capacity for change, we will continue to face the threat of even greater marginalisation and irrelevance in the global economy. We must therefore begin to see the larger picture lest we lose sight of our objectives and instead spend our time on useless rhetoric.

Our long experience has shown that sporadic effort and occasional tinkering with the United Nations system are not enough to bring about significant change in today's world. We need a fresh moral and political impetus to be able to redress the dangerous imbalance that persists between developed and developing countries. Now that the celebrations of the new Millennium have all but faded away, let us summon us the will and get down to the business of building a new Global Human Order based on equity and justice for all.

As we go forward in the new millennium under Nigeria's Chairmanship, it is imperative for the Group to seek higher ground from which it can more easily perceive a clear vision and strategy for reaching the promised land of genuine interdependence and full international cooperation.

I thank you.