



STATEMENT BY MR. A. VIJAYA RAGHAVAN, MEMBER OF PARLIAMENT AND
MEMBER OF THE INDIAN DELEGATION, ON AGENDA ITEM 57: ERADICATION OF
POVERTY AND OTHER DEVELOPING ISSUES: [A] IMPLEMENTATION OF THE
FIRST UN DECADE FOR ERADICATION OF POVERTY 1997-2006 AT THE SECOND
COMMITTEE OF THE 61ST SESSION OF THE UN GENERAL ASSEMBLY ON
NOVEMBER 10, 2006

Madam Chairperson,

We thank the Secretary-General for his reports under this agenda item. The annual consideration of this item in the Second Committee affords us an opportunity to take stock of the progress achieved so far, to identify the bottlenecks and to put in place appropriate responses to overcome these bottlenecks. Ten years after the launch of the first United Nations Decade for Eradication of Poverty, the international community is still devising effective mechanisms to eradicate poverty; the progress on meeting the Millennium Development Goal (MDG) target of halving extreme poverty and hunger by 2015 presents a stark and grim reminder that so much still remains to be done.

Madam Chairperson,

The challenge is formidable. We need a strategy for development which focuses on economic growth on a broad front with specific programmes designed to address human development issues. We shall confine ourselves to three issues: the factors (mainly economic) that seem responsible for continued poverty; an attempted answer to "What is to be done?" especially by the United Nations; and the lessons of the Indian experience and whether it is replicable. Poverty and internal conflicts are often not simply the legacy of the colonial past or the result of current poor governance but are epiphenomena of liberalisation and the policies of international economic institutions. The imperative of liberalisation and attracting foreign capital is inevitably accompanied by risks; low tax-GDP ratios reinforced by IMF style structural adjustment reduces investment in the social infrastructure, especially health and education. Such policies in some regions have additionally had a negative impact on rural infrastructure and food

security. The problems of sub-Saharan Africa amply demonstrate the systemic impact of such policies. There thus exists a justifiable role for the United Nations to provide direction in the reform of international financial and trade systems to enable them to constructively and effectively support national efforts in eradication of poverty.

Sub-Saharan Africa has suffered a setback since the 1990s and needs our cooperation and support in meeting the MDG goals. East Asia and the Pacific and South Asia are on track to achieve the target of halving extreme poverty at the national level by 2015; this provides a basis for South-South cooperation. India's 500 million dollars highly concessional credit lines to West Africa; more than 200 million dollars to NEPAD; grants of essential medicines; debt cancellation for the HIPC countries; scheme for duty free access to our market for LDC exports; substantial programmes of technical cooperation and capacity building; and the dedicated satellite and fibre optic connectivity mission for Africa are some of the ways in which we seek to assist.

Madam Chairperson,

The role of the international community in making available financial resources, transferring technology and providing support for building human and institutional capacity to the developing countries is crucial. While private sector investment is important, in this region the physical and social infrastructure is sometimes too weak to attract any. Therefore, sequencing is important and a commitment to 0.7% target for ODA by developed countries, as also innovative sources of financing are crucial. So also in the case of debt cancellation by the developed world conditionalities on encouraging privatization would only recreate the conditions that led to debt in the first place. For defending livelihoods, sovereignty of the state is important and disciplines that erode policy space and autonomy need to be reformed. Minimizing the vulnerabilities of the poor farmers must be our collective priority. Proportionately lower overall tariff reduction commitments and operable and effective development instruments of Special Products and Special Safeguard Mechanism are the essential components of securing food security, livelihood security and rural development needs of developing countries. The overarching principle of special and differential treatment, therefore, remains a categorical imperative. It would also be important for developing countries to maintain flexibilities and policy space, in the context of non-agricultural market access, in order to avoid the danger of deindustrialisation for some developing countries, which would impact adversely and severely on their efforts towards eradication of poverty.

Madam Chairperson,

India has evolved a national strategy that complements acceleration of economic growth with focus on the provision on basic services for improving the quality of life of the poorer segments through specific and targeted poverty eradication programmes, including creation of opportunities for employment and income-generation. The "Sarva Shiksha Abhiyan" (Universal Education), the Public Distribution System which makes food available to every household at an affordable price; the Integrated Child Development Scheme; the Mid-day Meal Scheme for school children are some of the programmes launched in India in recent years. The National Rural Employment Guarantee programme, as envisaged in the Common Minimum Programme, launched in 2006 makes the right to work a fundamental right. It provides 100 days assured employment annually to every rural household. Such rural regeneration measures coupled with innovative rural health missions and expansion of the Universal Elementary Education Scheme would help address poverty in a holistic manner. As part of our social integration policies, the "Right to Information Act" passed by the Indian Parliament would lend voice to the citizens for accessing Government policies. The success of the anti-poverty strategy is reflected in the decline in the poverty ratio from 38.9% in 1987 to 26.17% in 2000. New Programmes are expected to assist India in meeting its commitment to reduce poverty ratio by further 5% points by 2007 and 15% points by 2012.

The lessons of the Indian experience are in general replicable though sequencing is necessary. Liberalization of the economy has to follow a certain level of development of economic and scientific capacity. The Kuznets Curve is a myth: inequality and high growth do not automatically eventually lead to greater equality and social justice; therefore direct anti poverty programmes are necessary. Adam Smith's invisible hand is totally invisible because it does not exist: the State's role is as important as the market's. Education is an absolute must and, on this basis, a strong incentive for the rapid development of science and, technology and its application to most socio-economic areas.

Madam Chairperson,

We welcome the momentum generated by the International Year of Microcredit in 2005 towards creating an enabling environment to fully exploit the role of the microcredit and micro-finance as tools for poverty eradication. We share the view that microcredit is a useful tool in building the capacities of the poor in management of sustainable self-employment activities, besides providing them other financial services like savings, consumption credit, housing and insurance. It is important to address the issue of requirement of funds for capacity-building and other support systems for establishing microcredit and micro-finance institutions in those developing countries where they are not present now.

Thank you, Madam Chairperson.

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