



STATEMENT BY MR. PINEHAS ALUTENI, FIRST SECRETARY ON AGENDA ITEM: 55  
(a) "GLOBALIZATION AND INTERDEPENDENCE – THE ROLE OF THE UNITED  
NATIONS IN PROMOTING DEVELOPMENT IN THE CONTEXT OF GLOBALIZATION  
AND INTERDEPENDENCE AND DEVELOPMENT COOPERATION WITH MIDDLE-  
INCOME COUNTRIES" -SECOND COMMITTEE OF THE 64<sup>TH</sup> SESSION OF THE  
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Mr. Chairman

We thank the Secretary-General for the reports prepared for the agenda item before us, as contained in document A/64/253 and A/64/310.

Mr. Chairman

While it has often been said that globalization has brought both benefits and challenges, it seems that the challenges outnumber the benefits. There are serious imbalances in the distribution of the benefits of globalization as well as its costs and adverse consequences. The current food, fuel, climate change and financial and economic crises, which are borne disproportionately by the poorest of the poor, exacerbate these inequities and hamper sustainable development.

The current economic and financial crisis is a stark manifestation of a crisis of globalization and the way in which the crisis so rapidly spread like a wildfire, from where it started to the rest of the world, simply shows how quickly globalization and interdependence can sow both the seeds for prosperity and those for untold suffering. Only multilateralism can tame globalization and make it to deliver more benefits than its adverse consequences. In other words, to give it a human face. And in this regard, the critical role of the United Nations cannot be overemphasized.

Mr. Chairman

The challenge to the current international financial and economic order is to insure that globalization brings more benefits to humanity while limiting its risks to an insignificant minority. A globalization that deprives people of their daily bread and threatens to rob societies of their human nature by throwing them into dehumanizing poverty is not worthy of striving for.

The globalization crisis of the economy and finance begs for a global multilateral response in order to save the most vulnerable societies and countries that have not yet tasted the benefits of globalization but that are the most adversely affected by its negative implosion.

The global implosion of globalization has strained international trade, investment flows and employment creation, to name but a few, thus placing the achievement of the internationally agreed development goals, including the MDGs under a big question mark.

Developing countries are disproportionately affected due to the decline in demand for commodities and manufactured goods on which many of our countries depend for development financing and middle-income countries, like Namibia, are no exception. Owing to our countries' advanced integration in the global economy and our limited access to concessional financing for development, the current global crises have raised questions whether integration in the global economy is actually beneficial to developing countries or whether we are simply singing along without considering who is really benefiting from the orchestra. Indeed, while integration distributes the benefits when globalization is doing well, when the tide turns, it is those that are integrated in the global economy that suffer the most.

As the crisis hit at the heart of our trading partners, we found ourselves in a situation where our commodities and manufactured goods have no buyers while protectionist measures are being put in place in developed markets, further jeopardizing world trade. Indeed, when the crisis of globalization reached boiling point the powerful were able to barricade themselves behind economic stimuluses and financial bailouts while the most vulnerable continue to bear the brunt of the crisis for which they were not responsible.

Mr. Chairman

Middle-income countries are just in the middle. They are neither here nor there and when the going gets tough, they can easily be swept away, as the report of the Secretary-General shows that a number of middle-income countries or seven of them, to be specific, have fallen back to the low income category as a result of the world economic and financial crisis and its negative impact on development.

The report clearly states that middle-income countries are faced with genuine challenges that they cannot address on their own. It is true that even the title that our countries carry is not officially recognized within the United Nations but it is often being used when it is convenient to do so. We are surprised that even within the Secretariat there is no official recognition of this group of developing countries. The Organization has conveniently adopted the classification wherever it suits it and it can also deny it whenever it may serve its convenience.

Accounting for two-thirds of the world population and about 400/0 of the global gross product while still home to 64% of the world population that lives on less than US\$1 per day, middle-income countries have the potential of contributing to global prosperity if the United Nations and the international community at large were to not only enhance their support but also accurately target that support to areas that will significantly contribute to the capacity of middle-income countries to achieve sustained economic growth, create employment opportunities and eradicate poverty. Capacity building, physical and social infrastructure development in most of our countries are areas that require international support. Indeed, a significant number of middle-income countries simply require that one final push and off they move into the higher income category.

I thank you.

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