Mr. President
Excellency the Secretary-General
Distinguished Heads of States and Governments,
Distinguished Heads of delegations,
Ladies and Gentlemen

Allow me to begin my statement by thanking His Excellency the President of General Assembly for convening this High Level Thematic Debate on the State of the World Economy and Finance. We consider this a timely initiative in view of the ground realities that we are in now.

We thank the Secretary-General for his active engagement with the event. We greatly appreciate the high quality facilitation provided by His Excellency the Permanent Representative of Turkey and the Permanent Representative of San Marino.

We see this event as a step towards commencing a process to follow-up the recommendations of the World Economic and Finance Conference convened by the UN in 2009 which I had the honour to participate.

Mr. President,

The World Economy as we all know has been going through a difficult time since the end of 2008 which had negative ramifications at all levels especially with countries like Bangladesh witnessing, among others, contraction of exports to major economies, loss of remittances from abroad, shortfall of resources for development goals including MDGs in particular, balance of payments pressure. We were not responsible for triggering the crisis but we in the developing countries, especially the LDCs, have been bearing the brunt of this crisis – exacerbated by the rise in the prices of food and fuel and the adverse of the climate change.

Mr. President,

The global downturn demonstrated persuasively how closely interconnected we all are. The crisis of one touches contagiously all the others, which emphasizes the imperative for coordination. And the more significant the space you occupy in the global economy, the greater is your burden of responsibility.
The stake of the global community is very high. We aspire graduation of half of the LDCs to mid-income levels by 2020, alleviation of the 'life and death' situation in post-conflict countries where over a billion people live below poverty level and miss opportunities to contribute positively to the global well-being. In order to realize this goal, it is imperative for the global leadership to take dynamic and corrective steps to reform and stabilize the world economy.

Mr. President,

The multilateral financial institutions have done as best as they can. However, they need to enhance their capacity to recognize early the problems faced by their members—the LDC borrowers in particular—and to respond speedily, effectively and adequately.

We have talked about restructuring the institutions to be more democratic, responsible and accountable. The reforms need to move ahead and deliver the aspirations. The sooner, the better.

The multilateral institutions perhaps also need an efficient symbol of communication. The focus on governance could provide that symbol. However, the symbol remains too diffuse to provide shared articulation and direction for cooperation with respect to development. Apparently, this relates to management of the institutions and relationship with borrowers. But being a multilateral institution with members across the world, it has systemic implications also. It is time we addressed the effectiveness of communication symbol along with the much more critical need for structural reforms and capacity enhancement.

Mr. President,

You made a reference to risk rating. It has not attracted much attention. I would join you on this—and add to that bank regulation on the global scale. Both are left to the market, albeit with oligopoly like structure, and without public oversight. Both credit rating and bank capital requirement regulations are pro-cyclical, and thus move in the wrong direction when counter-cyclical policies are needed—speaking from human perspective. Adam Smith had observed to the effect that no two entrepreneurs meet without conspiring to cause public harm. I suggest that credit rating and bank regulation be brought under international public oversight—and in the short run start with monitoring and critique by an international public institution.

I thank you all.