MALAWI

SHARING GLOBAL PROSPERITY

STATEMENT

BY

HIS EXCELLENCY DR. BINGU WA MUTHARIKA
PRESIDENT OF THE REPUBLIC OF MALAWI

TO THE

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Mr. President of the Fifty-Ninth Session of the United Nations General Assembly, Your Excellency Mr. Jean Ping
Your Excellencies, Heads of State and Government
Secretary General of the United Nations, Mr. Kofi Annan

I am delighted to participate for the first time, in the deliberations of the United Nations General Assembly as Head of State and Government of the Republic of Malawi.

Let me begin by joining others before me, in congratulating you, Mr. President, on your assumption of the high office of presiding over the fifty-ninth session of the General Assembly. I have no doubt that your election will provide the opportunity for increasing the global awareness of the enormous challenges that Africa and other less developed regions of the world are facing. I hope that through you, Mr. President, the poor countries will enhance their full participation in the world economic prosperity.

I also wish to avail myself of the opportunity to pay tribute to your predecessor, His Excellency Julian Robert Hunte of Saint Lucia, for guiding the work of the Fifty-eight Session, with admirable skill and pragmatism.

We also salute His Excellency Mr. Kofi Annan, Secretary-General of the United Nations, for the dynamic leadership skills he continues to display in steering the affairs of our organization.

Mr. President,

The title of my statement is: SHARING GLOBAL PROSPERITY. This is to underscore the fact that one of the most daunting challenges facing the developing countries today is to achieve a balance in economic transformation and growth between the rich and the poor countries so as to eradicate poverty among the latter. Poverty is manifested in a number of ways, including food shortages, the spread of readily preventable diseases, including HIV/AIDS, Malaria and tuberculosis, inadequate potable water, primary health care, housing and education, to name only a few. Poverty is degrading and erodes human dignity. Poverty is one of the greatest enemies of humanity.

In looking at the future of the United Nations, we need to take stock of what has been the response to world poverty. I am aware that several attempts have been made and continue to be pursued by the international community to alleviate poverty, but the results have been dismal. During the past thirty years, the number of LDCs has risen from 25 to 49. This means that globally, economic growth is in reverse gear.
Some of the questions we are asking, relating to the sharing of global prosperity are: why are the industrialized countries more prosperous while in Africa and the rest of the developing countries poverty is increasing? In other words, why has globalization failed to achieve a more equitable distribution of global prosperity?

We have discovered that we need to seriously transform the economic structures in our country to begin to produce new wealth. This can be achieved by transforming the abundant agricultural commodities, raw materials and minerals into goods that can be traded globally. It is only by creating new wealth in rural areas that we can effectively eradicate poverty.

Our major strategy to gain a share in global prosperity is to transform Malawi from being an importing and consuming country, to being a predominantly producing and exporting country. In other words, we must position our economy to take full advantage of global trade. This will be achieved through intensive industrial research and the application of science and technology to the specific conditions in my country.

Mr. President,

I am saying this because Malawi, as is the case with most African countries, is richly endowed with a wide range of agricultural primary commodities, good soils and water resources that can enable us to develop viable agro-processing and manufacturing industries. Therefore, the critical issue for us in Malawi is to create new wealth as the basis for poverty eradication. To do this, we must encourage significant domestic savings as well as inflows of resources, especially foreign direct investment.

We in Malawi estimate that in order to alleviate poverty, we need to achieve an annual growth rate of at least 6 percent over the next decade. To achieve this, we are determined to create conditions for sustainable macroeconomic growth through fundamental policy reforms to improve economic and political governance. We have put in place measures for the reform of the public sector, agricultural sector, and the private sector.

We are also determined to improve good economic governance by stamping out corruption. To that end, I have adopted a "zero tolerance" stance to corruption. I am therefore happy to sign the United Nations Convention against Corruption.

Mr. President,

Malawi is cognizant of the fact that our national vision must be fully supported by the international community. This is why Malawi joins the call for better market access and lower tariff and non-tariff barriers to trade in industrialized countries.

Malawi would therefore like to stress the need to advance the dialogue in the Doha Development Agenda. On their part, the industrialized nations need to seriously address the major concerns of the poor economies. The challenge for industrialized countries is therefore to share with the poor countries the prosperity that comes about through globalization, by assisting us to stand on our own and to develop appropriate technologies for transforming our agricultural raw materials, minerals and other natural resources into wealth. In Malawi, we believe that a partner who walks with you side-

by-side down the road is better than one whom you have to carry on your shoulders down the road. We want to walk with the industrialized nations. We don't want to be carried on their shoulders.

Mr. President,

Some positive efforts that Malawi welcomes towards global equity include the various initiatives taken by the G8 countries towards addressing some of the concerns I have just stated. Among these are the United Kingdom's decision to significantly increase its aid and technical assistance to Africa; the reaffirmation of strong support for the New Partnership for Africa's Development (NEPAD); the decision by the US Government to extend the Africa Growth and Opportunity Act (AGOA) from 2008 to 2015; and the European Union's "Everything But Arms" policy that seeks to enhance opportunities for increased access for African exports into the EU market.

These initiatives are indeed encouraging and my Government fully appreciates them. I wish to appeal that theses noble promises and commitments be matched by action. We need proof that actions speak louder than words.

Mr. President,

The management of foreign debt is another positive way in which global prosperity can be shared. Our concern is that in spite of numerous initiatives aimed at finding a durable solution to the debt problem, the world is nowhere near a solution. My Government is still allocating a significant amount of our resources to debt servicing at the expense of investment in infrastructure, production and income generation. Such diversion of resources has led, among other things, to the deepening of poverty and lack of significant macro-economic growth.

However, Malawi, like other eligible African countries, had welcomed arrangements for debt relief under the enhanced Heavily Indebted Poor Countries (HIPC) initiative. But the conditions for reaching the decision and completion points are so arduous that only few countries in sub-Saharan Africa have managed to reach completion stage. We believe that the pre-conditions for the HIPC Initiative are unrealistic. Surely, less stringent conditionalities would have enabled more eligible countries to succeed.

That notwithstanding, Malawi welcomes the measures by some bilateral donors to respond to the external debt crisis. In particular, I must mention the Government of Japan, which a few weeks ago, cancelled a debt Malawi owed the Japanese Government, amounting to J¥28 billion or over US $256 million. I take this opportunity to thank Japan most sincerely for this gesture. We hope that other industrialized countries will follow this example.

Mr. President,

I have earlier referred to the need for adequate donor support to sustain national initiatives. In that regard, I believe the New Partnership for Africa's Development (NEPAD), provides a framework for sharing the responsibility for economic development between Africa and the rich countries. It is for that reason that Malawi has acceded to NEPAD's African Peer Review Mechanism (APRM) in a bid to put in place, internationally accepted political and economic good governance. Our accession to the APRM is also a demonstration of our confidence in the NEPAD programme as a tool to enhance Africa's effective participation in global prosperity.

Mr. President,
Your Excellencies,

Let me now turn to a global challenge that threatens all development efforts globally. This is the HIV/AIDS pandemic. The HIV/AIDS pandemic continues to pound incessantly upon the African economies, destroying the capacity of many countries to achieve sustainable economic development. By affecting the most productive segment of the labour force, we are losing more qualified and experienced personnel much faster than we can train new ones.

Mr. President,

The HIV/AIDS pandemic is a human tragedy of unimaginable proportions. Experience in dealing with this disaster in my country has taught us that HIV/AIDS is a medical crisis, an economic crisis, a social crisis and a political crisis.

It is a medical crisis because hitherto no cure has been found for HIV/ AIDS; HIV/AIDS is an economic crisis because it is depleting financial and human resources for development while also devastating our national capacities for good governance; HIV/AIDS is a social crisis because of the stigma that makes the affected unable to be integrated in the normal day-to-day relations as well as in the work places. HIV/AIDS has also created a large number of orphans that need to be cared for; and HIV/AIDS is a political crisis because it threatens democratic institutions by killing politicians and others who are the voice of the people.

Therefore, in order to deal with this pandemic, we have learned the imperative of adopting a holistic approach. It is for that reason that we appeal to the United Nations to collectively raise new awareness, new assumptions and new solutions. To that end, the United Nations ought to re-design its policy in providing support, care, treatment and prevention of HIV/AIDS, alongside the provision of adequate, nutritious food and proper diet.

Therefore, food and nutrition must be packaged together with the ARV drug programmes, if these interventions are to be effective. In that regard, the on-going

efforts by the Global Fund for HIV/AIDS and the World Food Programme, that focus on nutrition interventions deserve the full support of the international community.

Mr. President,

Before concluding my statement, I wish to raise another concern I have in the efforts towards sustainable growth and development of the world economy. This relates to the need for world peace. One can hardly emphasize enough that without global peace, there cannot be global prosperity. In this regard, I am pleased to note that international peace and security has always remained high on the agenda of this August Assembly. I also feel that the Secretary-General, jointly with the Security Council, ought to be commended for taking a number of decisive steps, towards conflict prevention, resolution and management around the globe.

Mr. President,

Turning to the specific issues of peace in Africa, I am concerned that Sub-Saharan Africa has been, and continues to be, one of the most unstable and conflict-prone region on the globe. The region also happens to be home to most of the world's poorest people who are living below the international poverty threshold.

The conflict in Sudan's Darfur region, in particular, is yet another sad chapter in the history of Sub-Saharan Africa, and one that the African people can ill-afford. Africa and the international community must find quick and lasting solutions to the crisis in the Darfur region of Sudan.

Malawi welcomes all initiatives taken to find a lasting solution to the conflict.. We also commend the United Nations, its Specialized Agencies and all those who have responded to the humanitarian crisis there, by providing assistance to the Internally Displaced Persons (IDPs), as well as those living as refugees in Chad.

Mr. President,
Your Excellencies,
Ladies and Gentlemen,

I would like to conclude my statement by assuring the General Assembly that my Government fully endorses the proposal to reform the United Nations. We share the belief that a more representative and democratic United Nations will enhance the efficiency and credibility of this global organization. This will also enhance the efforts towards a just and more equitable sharing of global prosperity.

May God bless the United Nations.

I thank you.