



# General Assembly

Sixty-fifth session

Official Records

Distr.: General  
13 December 2010

Original: English

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## Second Committee

### Summary record of the 15th meeting

Held at Headquarters, New York, on Wednesday, 20 October 2010, at 10 a.m.

*Chairperson:* Mr. Pierre (Vice-Chairperson). . . . . (Haiti)

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*In the absence of Ms. Ochir (Mongolia), Mr. Pierre (Haiti), Vice-Chairperson, took the Chair.*

*The meeting was called to order at 10.10 a.m.*

## **Agenda item 22: Globalization and interdependence**

- (a) Role of the United Nations in promoting development in the context of globalization and interdependence (A/65/272)**
- (b) Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption (A/65/90 and A/65/212)**

1. **Mr. Sundaram** (Assistant Secretary-General for Economic Development) introduced the report of the Secretary-General providing an overview of the major international economic and policy challenges, as contained in document A/65/272. Drawing attention to the report's key findings, he said that inclusive multilateralism and coherent economic policies were essential in order to fully realize the benefits of globalization, while minimizing its considerable costs. While the social effects of the global financial and economic crisis, coupled with the food and fuel price hikes, hindered the timely achievement of the Millennium Development Goals (MDGs) in developing countries, the renewed multilateral action demonstrated by the adoption of the action agenda at the recent High-level Plenary Meeting of the General Assembly on the MDGs was reason for hope, and the forthcoming United Nations Conference on Sustainable Development to be held in Rio in 2012 was another such opportunity. Nevertheless, much remained to be done to ensure truly inclusive global governance of existing multilateral institutions and arrangements. The international monetary and financial system must also minimize financial and economic instability and volatility to better support sustainable development for all.

2. **Mr. Kara** (United Nations Office on Drugs and Crime (UNODC)), introducing the report of the Secretary-General entitled "Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption" (A/65/90), drew attention to developments since the report had been

finalized in June 2010 and said that the Convention continued to enjoy strong political support from its 148 States parties. He provided an overview of the four resolutions that had been adopted at the third session of the Conference of the States Parties to the Convention, held in Doha in November 2009. Those resolutions concerned, respectively, a review mechanism for the implementation of the Convention, preventive measures, asset recovery and technical assistance.

3. During its first cycle, the aforementioned review mechanism would address criminalization, law enforcement and international cooperation by States parties using a self-assessment checklist developed by UNODC. The newly established Implementation Review Group had welcomed the voluntary contributions received to fund the review mechanism and its secretariat to date and had recommended that budgetary requirements for the 2012-2013 biennium should be funded from the regular budget of the United Nations.

4. He noted that the legal library and the Knowledge Management Consortium would be launched on International Anti-Corruption Day, 9 December 2010, while the International Anti-Corruption Academy, a joint initiative of UNODC, the Republic of Austria and the European Anti-Fraud Office, had been launched in Vienna in September 2010. Thirty-five Member States had already signed an agreement to establish the Academy as an international organization, and signatories before the end of 2010 would be considered its founding members.

5. UNODC had undertaken a number of initiatives to enhance the role of the private sector, including contributing to the implementation of the tenth principle of the Global Compact. The third Global Compact Leaders Summit, held in June 2010, had endorsed reporting guidance on that principle. An anti-corruption e-learning tool developed by UNODC and the Global Compact would be formally launched in December 2010.

6. **Mr. Al Hadhrami** (Yemen), speaking on behalf of the Group of 77 and China, said that national efforts must be complemented by intensified international cooperation to reverse marginalization, manage risks, overcome the challenges that globalization presented, especially for developing countries, and seize the opportunities that it created. Developing countries must maintain their right to development through policy

space and strategies based on their unique social, political, economic and environmental conditions. The United Nations also had a fundamental role to play in promoting and strengthening international cooperation, and in the implementation of the internationally agreed development goals, including the MDGs.

7. While each country had primary responsibility for its own development, and national policies and strategies thus played a pivotal role in the achievement of sustainable development, those efforts must be supported by global programmes and policies. Globalization and interdependence should boost and maintain local development, but care must also be taken to preserve national traditions, cultures and identities in all their diversity. In that respect, he noted with satisfaction that the outcome document of the High-level Plenary Meeting on the MDGs (A/65/L.1) had emphasized the importance of culture for development and its contribution to the achievement of the Goals.

8. Corruption was a serious barrier to effective resource mobilization and allocation, since it diverted resources from activities that were vital for hunger and poverty eradication and economic development, thereby endangering the stability of societies and undermining sustainable development. The States parties to the United Nations Convention against Corruption must therefore take further steps to implement initiatives on asset recovery and on the provision of technical assistance and capacity-building. There was a need to build knowledge and strengthen capacity in that area, particularly among developing countries. Increased cooperation with developed countries and their financial institutions was also necessary in order to combat illegal transactions involving illicitly acquired funds. Another major issue requiring increased global cooperation was international migration, which had significant potential to boost development in developing countries, particularly through remittance flows.

9. Development considerations should be taken into account in managing globalization, to ensure that all countries and peoples could benefit from it. To that end, development partners and the United Nations system should coordinate their proposals to make them compatible with the national development plans and strategies of developing countries.

10. **Mr. Charlier** (Belgium), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, Georgia, the Republic of Moldova and Ukraine, said that the European Union had long been pursuing policies aimed at ensuring that economic growth and social progress went hand in hand. It promoted mutually reinforcing policies to address competitiveness, employment, social advancement and environmental sustainability, including through policy coherence for development. Open markets and a strong multilateral trading system were also necessary for economic growth and development. The European Union's approach to the social dimension of its development cooperation was to address, through dialogue with partner countries, the important economic and social transformations facing them, in order to help them absorb the potential negative social consequences of globalization and create a business and trade environment conducive to sustainable, inclusive and green growth as a basis for sustainable development.

11. The international community and the United Nations must spare no effort to ensure that the benefits of globalization were shared by all, and considerable work remained to be done in that respect. Strong and democratic leadership was needed to address the multitude of challenges the world faced. The European Union would continue to work with partner countries to pursue vigorous and coherent development strategies. It was already the largest provider of official development assistance and humanitarian aid in the world, and would fulfil its commitments with respect to the MDGs; all partners and stakeholders should do likewise, with a particular focus on the poorest and most vulnerable countries and people.

12. Drawing attention to paragraph 52 of the outcome document of the High-level Plenary Meeting on the MDGs (A/65/L.1), the European Union fully supported the call for urgent and decisive steps to continue fighting corruption in all its manifestations and agreed that strong institutions at all levels were needed in that respect. He urged all States that had not yet done so to consider ratifying or acceding to the United Nations Convention against Corruption, since its implementation and review mechanism played a key

role. The European Union welcomed the progress made in the area of asset recovery, particularly through the joint UNODC/World Bank Stolen Assets Recovery Initiative, and would continue to support the further development of that Initiative.

13. **Mr. Heryana** (Indonesia), speaking on behalf of the Association of Southeast Asian Nations (ASEAN), which supported the statement made on behalf of the Group of 77 and China, said that the increasing interdependence of national economies had led to a growing need for cooperative collective action. As various intergovernmental processes were all addressing such issues as international trade and finance, foreign direct investment and international economic governance, the role of the United Nations must be supported and enhanced. The Association fully advocated the central role of the United Nations in all such multilateral discussions and supported its efforts to promote open, inclusive and transparent discussions on global governance, among all interested parties.

14. Preventing and combating corruption and the transfer of assets in the context under discussion was of particular interest to ASEAN, as many of its anti-corruption agencies were committed to working together to enhance mutual sharing and capacity-building in the region. The positive economic performance and resilience that ASEAN had demonstrated in the face of the global economic and financial crisis was partially due to the recognition that corruption had no place in a country's development agenda.

15. The third ASEAN forum on Migrant Labour, held in Hanoi in July 2010, had produced a declaration on the protection and promotion of the rights of migrant workers. The nexus between migration and development needed to be discussed as broadly as possible. ASEAN supported ongoing exchanges of ideas on that topic through such processes as the Global Forum on Migration and Development, which would be held in Mexico in 2010, the informal thematic debate to take place during the 2011 United Nations General Assembly and the fourth ASEAN Forum on Migrant Labour to be held in Indonesia in the second half of 2011.

16. **Mr. Rai** (Nepal), speaking on behalf of the Group of Least Developed Countries, said that while globalization profoundly influenced economic, social and environmental development, the number of

countries that had benefited from it was limited and most of the least developed countries remained marginalized in the globalized economy. Those countries, already structurally handicapped and highly vulnerable, were increasingly at risk from the economic, social and environmental shocks created by globalization and interdependence. They had therefore suffered disproportionately from the economic, food, fuel and climate change crises, for which they were not at all responsible.

17. Until the recent economic and financial crisis, globalization had been tremendously appealing as an efficient and vibrant driver of growth. However, the crisis had led many to rethink its potential to be of any benefit to the least developed countries. Economic globalization had not helped them in terms of international trade, foreign direct investment, international finance, strengthened intellectual property rights, or new international economic governance. Instead of attaining the promised prosperity from globalization, the majority of people in the least developed countries had not advanced at all, lacking the skills or capital needed to hold their own in the competitive globalized market. The expected opportunities for betterment of their populations had not materialized even after the liberalization of national economies, as called for in the Washington Consensus. The lack of institutional capacity, including to manage liberalization and privatization, had caused additional problems and the lives of the people in the least developed countries had actually worsened.

18. There was no doubt that globalization and interdependence could become an influential and vibrant force contributing to economic growth in the least developed countries, if the opportunities that it created were provided in an even-handed manner. Globalization should help to raise the least developed countries out of poverty and enable them to reach the internationally agreed development goals while respecting their traditions and conserving their environments. The least developed countries were seeking a globalization that would put them in the mainstream of the international economic and financial policymaking process and build their capacities, ultimately leading to economic prosperity with minimized risks and maximized potential benefits.

19. The Group therefore underlined the critical need to implement the 2007 Istanbul Declaration on the Least Developed Countries: Time for Action, which

called on development partners to fulfil their commitments so that least developed countries could integrate into the global economy. In that regard, the United Nations could play a pivotal role in enhancing the importance of multilateralism and devising the necessary global rules and regulations.

20. The least developed countries needed an enhanced level of participation in the decision-making processes of non-discriminatory global economic, financial and trading systems to achieve sustainable development and the internationally agreed development goals, including the MDGs. Furthermore, they urged the developed countries to provide duty- and quota-free market access for their products and called for an early conclusion to the Doha Development Round.

21. **Mr. Gonsalves** (Saint Vincent and the Grenadines), speaking on behalf of the Caribbean Community (CARICOM), which aligned itself with the statement made on behalf of the Group of 77 and China, recalled that the CARICOM countries had a long historical acquaintance with globalization and migration. Enslaved Africans had been shipped to their shores by European powers, who in turn had received exports of sugar, tobacco and cotton grown by those slaves. That triangular trade had been the Caribbean countries' first experience of globalization. Since then, they had sought to fashion a space for themselves within a more equitable and less exploitive form of modern globalization.

22. The efficacy and credibility of globalization depended not on the frequency with which it was discussed at regional and international levels or the quantities of statistics that were presented by institutions to highlight economic growth, but rather on whether it produced tangible improvements in people's quality of life and the choices available to them. Consequently, the international community had a responsibility to ensure that twenty-first century globalization was inclusive and equitable.

23. The critical decision-making functions that affected all participants in the global economy could not be made exclusively by opaque, informal or non-inclusive bodies. CARICOM therefore reiterated its call for reforms to enhance the voice and participation of developing countries in the Bretton Woods institutions.

24. The Doha Development Round could not be allowed to stagnate any longer while an iniquitous status quo remained in place. The rule-based systems that underpinned globalization had made insufficient provisions for the economies of small island developing States and had uprooted their traditional agricultural livelihoods. Moreover, while those States continued to meet and exceed standards on good governance, open borders and economic liberalization, developed nations continued to shirk their trade obligations and renege on their development pledges. Consistent with its Charter obligations, the United Nations must ensure that rules were applied consistently to all.

25. Above all, a sense of equity and fairness must apply to globalization and its structures. CARICOM States were blameless in the food, fuel and financial crises, and had contributed negligibly to climate change. Yet those global and interconnected maladies affected them in ways that they could neither prevent nor control. Those few States and regions that had benefited greatly from globalization must now lead the way in crafting global solutions to its negative impacts.

26. Globalization had also increased opportunities for illicit activities. Corruption, the trade in small arms, human trafficking, money-laundering and the narcotics trade all formed part of the ugly underbelly of interdependence. As with many other ills of globalization, the States least able to manage those illicit activities were among the most burdened. The United Nations should therefore continue to play a leading role in providing the necessary technical assistance and capacity-building support within the framework of the Conference of the States Parties to the United Nations Convention against Corruption.

27. The CARICOM region was well aware of the complex nature of international migration. Caribbean nations were populated almost entirely by the descendants of migrants, migration remained a part of their collective psyche and many citizens relied heavily on remittances from relatives abroad. Conversely, most college-educated citizens lived and worked in developed countries, contributing to a powerful regional "brain drain". In the present period of global economic crisis, CARICOM called on States to resist the temptation to unduly politicize or restrict migration. The United Nations must play a role in ensuring greater cooperation among States in the

effective management of migration for the benefit of all.

28. **Mr. Ould Cheikh** (Mauritania), speaking on behalf of the Group of Arab States, said that the benefits and risks of globalization were unevenly distributed. A clear picture of the increasingly negative impact of globalization was given by the succession of global crises originating in the developed countries, which had led to the erosion of sovereign funds in Arab countries. Most of the emerging economies had suffered a slowdown — or in some cases a reversal — in growth, with a concomitant setback in social progress.

29. The Arab countries were seeking to achieve a balance between opening up economically and technologically to the world and preserving their identity, their security and their national interests. Aware of the importance of modernization and good governance, the fight against corruption and the reform of national institutions, they were also taking advantage of the lessons learned by developed countries. The United Nations continued to play a central role in helping countries to adopt such approaches, while taking into account the principle of national ownership.

30. While scientific knowledge, development, innovation and technical progress were all important tools for development, what was most useful to developing countries was the know-how to fully benefit from those tools. In that context, the Arab Group called on the United Nations and its specialized agencies to be enhance their coordination with the Arab countries for the establishment of innovative scientific institutions and infrastructure.

31. The Arab Group called for the establishment of a fair and rule-based trading system to assist developing countries in combating poverty and underdevelopment. Such a system would put an end to practices impeding free and fair trade, eliminate agricultural subsidies in the countries of the North and ease restrictions on migration.

32. Lastly, with regard to the issue of corruption and funds of illicit origin, the Arab Group took note of the Secretary-General's relevant report (A/65/90).

33. **Mr. Wang Qun** (China) said that countries at differing levels of development benefited from globalization to differing degrees. As the current

economic recovery was anaemic and uneven, the future was still full of uncertainties. Under such circumstances, no country could afford to mind only its own business: international cooperation must be strengthened. Following the outbreak of the financial crisis, the international community had worked together to steer the world economy away from the abyss of depression, but as the situation began to recover, such international cooperation was starting to be replaced by inward-looking tendencies in some national policies. Countries should reject that thinking, continue to strengthen macroeconomic policy coordination, maintain stability in the exchange rates of major international currencies and resist trade protectionism.

34. The source of the current distortion in the world economy was the serious imbalance in development between the North and the South. The international community should therefore implement in earnest the consensus reached at the recent High-level Plenary Meeting on the MDGs, establishing a global development partnership based on equality and mutual benefit. Developed countries should increase financial and technological support to assist developing countries in their economic transition and industrial upgrading. The former group should open up their markets to allow developing countries to benefit from the global economy, while the latter group should expedite structural adjustments in their industries and enhance their capacity for scientific and technological innovation. Furthermore, the representation and voice of developing countries in the international financial institutions must be increased and an early conclusion of the Doha Round, including a comprehensive and balanced outcome, must be sought.

35. Corruption had become increasingly intertwined with other transnational crimes such as terrorism and drug-related crimes. Taking an integrated approach, his Government had improved its measures to prevent and combat corruption by placing an equal emphasis on education, regulatory systems and monitoring. In addition, China had aligned its domestic laws with the provisions of the United Nations Convention against Corruption. It urged other States parties to the Convention to cooperate in judicial assistance, extradition and the return of assets of illicit origin, and to provide assistance to developing countries in the form of capacity-building, technical support and information exchange.

36. **Mr. Farias** (Brazil) said that in an interdependent world, global problems must be solved by global collective action. The financial crisis had also underlined the fact that there should be no absolute dogmas or preconceived “one-size-fits-all” policies. Globalization must never be an excuse for the imposition of conditionalities, nor should it jeopardize developing countries’ capacity to deal with development challenges or improve the living standards of their populations.

37. All countries must work together to support the implementation of each other’s national policies, in particular through counter-cyclical measures to mitigate the impact of economic turmoil. Developing countries, in particular, should be allowed the necessary policy space to address their needs and implement national development plans according to their own priorities.

38. The United Nations development system should work more closely with Member States to promote flexible, balanced and multilateral frameworks for the delivery of aid, increased international cooperation and the transfer of technology, in accordance with national plans and priorities. In that regard, better coordination between the United Nations and multilateral financial, trade and development institutions was urgently required in order to further support common efforts towards sustained economic growth and poverty eradication.

39. The recovery of assets of illicit origin was a key issue in combating the effects of corruption. In many countries, asset recovery was important not only to increase confidence and accountability, but also to regain the necessary resources for the implementation of development policies.

40. Among the many positive outcomes of the third session of the Conference of the States Parties to the United Nations Convention against Corruption, Brazil particularly welcomed the commitments agreed to with regard to the seizure and restraint of assets for a time period sufficient to preserve assets during foreign legal proceedings. Brazil also underscored the importance of international cooperation with a view to implementing the commitments contained in the Convention, particularly with respect to developing countries.

41. **Mr. Khorshid** (Iraq) said that several reports had referred to the prevalence of corruption in a number of countries, including Iraq. While his country did not

deny the truth of such reports, such corruption had largely been inherited from the previous dictatorial regime and was quite common in emerging or new democracies. In view of the dangers of corruption, his Government had made efforts to combat it, including the establishment of the Commission on Public Integrity in 2004, the Audit Office in 2006 and the Joint Anti-Corruption Council in 2007. The latter was responsible for coordinating all the entities engaged in combating corruption and implementing relevant laws.

42. Those efforts had led to the establishment of a national anti-corruption strategy for the period 2010 to 2014, in compliance with the United Nations Convention against Corruption to which his country had acceded in 2007. The strategy provided a guide on preventive and deterrent action to address corruption at every level. Its objective was to protect society from corruption and to promote a culture of integrity, sound administration and the protection of human rights. It also aimed to reduce opportunities for corruption by enhancing the effectiveness and role of civil society institutions. Through the Commission on Public Integrity, the Government was seeking to ensure transparency in its work by publicizing its activities and achievements in annual and semi-annual reports that included official statistics indicating the scale of governmental efforts in that field.

43. The statistics in the semi-annual report for the period from 1 January to 30 June 2010 indicated that during the reporting period 764 persons charged with corruption offences had been arrested, including 5 officials at the Director-General level, and 1,706 persons had been indicted on corruption charges, including 97 officials with the rank of Director-General. In addition, the Commission had carried out 45 arrests in connection with corruption offences identified by the investigation offices in the governorates.

44. The Commission had convened five conferences on matters relating to anti-corruption and had held 47 workshops on the same subject matter, in addition to cooperating with civil society organizations to coordinate the setting up of joint activities. In the context of a national anti-bribery campaign, it had also devised a questionnaire to assess the extent of bribery in the Government and public service. The findings showed a marked decline in bribery throughout Iraq.

45. His Government, which believed that transparency and accountability were related and mutually reinforcing concepts, was endeavouring to strengthen the values of transparency and accountability as part of the process of building a new administrative culture that would provide protection against all forms of administrative and financial corruption and be conducive to the establishment of a new regime meeting the requirements of democratic change in the new Iraq.

46. **Mr. Bachmann** (Switzerland) said that, while enriching a small number of persons, corruption weakened society's fabric and undermined development. His country had therefore engaged in national and international efforts to combat corruption, organized crime, and money-laundering; had actively participated in drafting and strengthening the United Nations Convention against Corruption; and, within the framework of the Convention, had chaired a working group which had prepared the establishment of an assets recovery mechanism. Moreover, no other State had returned more assets stolen by politically exposed persons.

47. Effective action to combat corruption required considerable preventive measures, which were contingent on close international cooperation, including due diligence by financial institutions and compliance with regulations through international legal assistance. Ultimately, the success of such cooperation depended on the resolve of national authorities and on specific legislation on misappropriated assets.

48. In September 2010, the Swiss parliament had adopted an Act facilitating the return of illicit assets to their countries of origin. Furthermore, since close cooperation with the World Bank and other relevant partners was crucial to its efforts, Switzerland had promoted the Stolen Assets Recovery Initiative and the International Centre for Asset Recovery; welcomed the implementation of the tenth principle of the Global Compact, on anti-corruption; and called upon the private sector to participate in such endeavours more extensively.

49. **Mr. Yassin** (Ethiopia) said that globalization was integrating domestic economies into a complex international system that favoured the intensive use of communication technologies. Seeking to take advantage of the opportunities offered by globalization, Ethiopia had become the fastest growing economy not

dependent on oil and was among the 20 countries most likely to achieve the MDGs.

50. The negative consequences of globalization, including climate change, should not be underestimated, and the concerns and proposals of developing countries should be taken into consideration. The poorest population groups in developing countries had been particularly affected by the declines in foreign direct investment, development assistance, remittances and income from exports, coupled with the rise in domestic prices. To ensure that the least developed countries benefited from globalization, the international community should take tangible steps to deliver on the commitments contained in the International Labour Organization Declaration on Social Justice for a Fair Globalization as well as the outcomes of the 2002 International Conference on Financing for Development, the 2005 World Summit on Sustainable Development, the 2009 United Nations Conference on the World Financial and Economic Crisis and Its Impact on Development, and the fourth High-level Dialogue on Financing for Development, held in March 2010. As the main multilateral institution, the United Nations must ensure that globalization was governed by a set of internationally accepted rules and a sense of responsibility and interdependence.

51. **Mr. Gutiérrez** (Peru) said that the United Nations was uniquely suited to play a key role in reforming the global financial architecture. Increasing cooperation, coordination and coherence between the United Nations and the international financial institutions was necessary because their mandates were complementary. Developing countries should be allowed to participate more extensively in the decision-making processes of the International Monetary Fund, the World Bank and the regional development banks, thereby enhancing the credibility, legitimacy, effectiveness and governance of such institutions. The United Nations should also ensure that the Doha Round was concluded with an ambitious and balanced agreement that addressed the needs and interests of developing countries.

52. As the United Nations redoubled efforts to enhance the efficiency and effectiveness of its programmes with a view to attaining the MDGs, the relationship between culture and development in the context of globalization and interdependence should not be forgotten. That link had been referred to in the



outcome document of the High-level Plenary Meeting on the MDGs (A/65/L.1). As a source of individual and collective identity, innovation and creativity, culture was a key to economic and social development. Moreover, the culture-related industries, including tourism and multimedia, created jobs, generated income and opportunities and contributed to poverty reduction. According to the United Nations Educational, Scientific and Cultural Organization (UNESCO), the culture sector accounted for 6.2 per cent of the gross domestic product of countries from the Organization for Economic Cooperation and Development and many developing countries. Peru had therefore taken the initiative to prepare a draft resolution (A/C.2/65/L.9) underscoring the role of culture in development and reflecting the current comprehensive approach to the attainment of the MDGs.

53. **Mr. Kumar** (India) said that the benefits of globalization as a socio-economic system were unevenly shared in many parts of the world, including India. Although it had brought about wealth and opportunities, globalization had also caused instability, insecurity, economic disparity, poverty and hunger. The international economy was not on track to achieve Goal 1 of the MDGs, on poverty reduction. In fact, the global financial and economic crisis was a manifestation of globalization at its worst. The liberalization of the economy should be accompanied by State intervention aimed at enabling the weak and marginalized to take advantage of the prosperity created. Accordingly, India had launched a number of major social protection programmes in an effort to ensure inclusive growth. That development strategy had helped India to withstand the impact of the global crisis.

54. Promoting good governance and eradicating corruption were crucial to poverty reduction, and the adoption of the United Nations Convention against Corruption was a signal achievement. The international community should persuade tax haven countries to stem illicit flows of funds and to return such assets to their countries of origin.

55. In its enthusiasm for enhanced flows of capital, goods, services, technology and persons, the international community had failed to develop systems against global shocks. The developing countries were the economies hit hardest by the impact of the financial, food and energy crises. Given its legitimacy and universality, the United Nations should play a

central role in developing an inclusive global governance structure, including reform of the Bretton Woods institutions, in order to enable developing countries to have a greater say in the formulation of the international policies affecting them.

56. The new global order should give priority to the least developed countries, landlocked developing countries, small island developing States and African countries. Developing countries needed an enhanced policy space that enabled them to select appropriate approaches to their specific development challenges, pursue counter-cyclical macroeconomic policies and develop strategies for inclusive growth. In the area of trade, developing countries were severely affected by massive subsidies in developed countries and faced practical barriers contrary to international trade law. Lastly, critical technologies in the area of public health and climate change remained inaccessible to developing countries as a result of limitations stemming from the intellectual property rights regime. The international community must work together to rectify that situation.

57. **Mr. Mokin** (Russian Federation), recalling that the United Nations Convention against Corruption was of crucial importance in bolstering international solidarity against corruption, called on all States to accede to the Convention and give full effect to its provisions. Since ratifying the Convention in 2006, the Russian Federation had been applying itself to its implementation, setting up a presidential council to counter corruption and implementing a national action plan on the issue. The Russian Federation strongly supported the new mechanism for review of implementation of the Convention, set up in 2009 with his delegation's active involvement, and, in that context, he drew attention to the arrangement agreed upon by the Russian Ministry of Justice and UNODC for the joint training of experts from the Commonwealth of Independent States in the operation of the review mechanism. Lastly, he highlighted the importance which his delegation attached to the need for illicit assets to be returned to their countries of origin and for technical support to be provided to the countries concerned.

58. **Ms. Al-Hadid** (Jordan) said that globalization was a long-term process which had been most visible in banking and finance where stock, debt and derivative swaps had, with the help of information technology, accelerated the geographical mobility of

capital and credit. Owing to globalization, international and transnational activities were growing exponentially, often too fast for the response capacities of Governments and institutions. It was important to ensure that globalization became a positive force for all: inclusive globalization, based on the market, should contribute to a shared future for the international community in all its diversity. The United Nations was well placed to serve as a forum for building consensus on how to manage globalization in order to promote development. Encouraging a coherent approach to policymaking through greater coordination was essential to ensuring that the benefits of globalization were shared more broadly.

59. Since international cooperation was the key to combating corruption, countries should try to benefit from each other's relevant experience, information and training. In order to address issues related to corruption, Jordan had developed an institutional framework comprising a number of specialized agencies in addition to a national anti-corruption strategy for the period from 2008 to 2012.

60. Lastly, policies to achieve the MDGs should also address migration, identified by the United Nations as a tool for faster development. Remittances affected progress towards the MDGs, directly and indirectly. Migration-related issues should thus be dealt with on the basis of a comprehensive development agenda.

61. **Mr. Mgbokwere** (Nigeria) said that, since the return of democratic governance in 1999, Nigeria had made relentless efforts to combat corruption, which included establishing several relevant national agencies; ratifying the United Nations Convention against Corruption; developing a holistic national anti-corruption strategy aimed at synergy in that area with numerous other countries; supporting the establishment of asset return mechanisms; and extensively engaging in the recovery and return of illicit assets to their rightful owners. Nigeria was committed to the full implementation of the Convention's provisions on mutual legal assistance, supported the ongoing peer review process by the Implementation Review Group and stood ready to cooperate fully with the Stolen Assets Recovery Initiative. Nigeria was also playing a leading role in ongoing work to formalize the West African Association of Anti-Corruption Agencies, a network covering the Economic Community of West African States and Mauritania.

62. **Mr. Olobo-Bwomono** (Uganda) said that the global food, fuel and financial and economic crises had reminded the international community that it must work to reap the potential benefits of globalization while minimizing its considerable costs, risks and vulnerabilities. The experience of developing countries adversely affected by globalization had shown that equity and fairness were untenable in the emerging global order. Market forces, on which even inclusive globalization was built, were ineffective in the social sector, which was not driven by profit. As a consequence, the global partnership for development had stagnated over the years and there was a growing reluctance towards collective action to deal with such global challenges as climate change on the basis of shared but differentiated responsibilities. Beyond market forces, there was a need for a broader effort, which only the United Nations had the global legitimacy to facilitate, with a view to achieving development for all.

63. The United Nations Development Agenda, which embodied the spirit and aims of the 1974 Declaration on the Establishment of a New International Economic Order, acknowledged the immense disparities that characterized the globalized world. Through the United Nations, Member States could effectively assert national ownership of development strategies and participate in global economic governance. Accordingly, it was essential to complete United Nations reform in order to strengthen the Organization's effectiveness, efficiency and coherence.

64. **Mr. Zdorov** (Belarus) said that his delegation supported the findings by the Secretary-General, set out in his report (A/65/272), and, given the increasing burden on the environment attributable to economic globalization, stressed the need to put into effect coordinated economic and environmental policies to help protect the climate and the environment while allowing the global economy to continue growing. Reaffirming the commitment of Belarus to the MDGs, he drew attention to the need, in the pursuit of those Goals, to promote climate-friendly energy technologies and to ensure universal access to modern energy services.

65. Noting that the creation of a strong economy was impossible without the guarantee of free trade, he expressed his delegation's view that sanctions and other barriers to trade could devastate the economies of developing and middle-income countries and stated its

categorical opposition to the imposition on other countries of any politically motivated economic coercion. Middle-income countries should be more actively involved in efforts to identify and promote new forms of interaction with developing countries, thereby creating conditions conducive to the vigorous and sustained growth of the global economy.

66. Notwithstanding the consequences of the global financial and economic crisis, the economy of Belarus had continued its steady growth. Alone among the countries of the Commonwealth of Independent States, Belarus had trebled its gross national product and had boosted its agricultural output by some 50 per cent over the previous 15 years. In terms of the effectiveness of its economic reforms, Belarus was one of the world's top five countries and had managed, among other achievements, to stabilize its banking system.

67. Calling on the international community and the United Nations to give paramount attention to the attainment of development for all and the promotion of a new and just world economic order, he pledged his country's readiness to contribute to that endeavour, both by strengthening and developing its own economy and by fostering genuine partnerships in its economic relations with other countries.

68. **Mr. Igenbayev** (Kazakhstan) said that globalization was an unavoidable process with positive and negative effects. On the one hand, it had opened up new opportunities everywhere by enhancing market capabilities and the exchange of ideas, information and skills. On the other hand, it had marginalized many countries, especially vulnerable ones. The United Nations development system should take into account the specific needs and requirements of economies in transition and other countries in need of assistance in order to promote a balanced approach to development. Once properly managed, globalization could lead to sustained global economic growth and to international financial stability.

69. To that end, it was necessary to reform the existing financial, monetary and trading systems, making them more equitable and democratic, while strengthening the participation of developing countries in global decision-making. The capacity of economies in transition to respond to globalization should be enhanced by ensuring favourable market access for their exports and securing the foreign direct investment

that was essential for their integration into the world economy. It was also vital to boost international cooperation in the area of science and technology for development. Technical assistance and advice from specialized international organizations were key components of technology transfer.

70. Corruption was a major obstacle to development. Ensuring good governance and strengthening national apparatus in line with the principles of integrity, transparency and accountability were prerequisites of sustainable development and economic growth. Kazakhstan had been the first country in the Commonwealth of Independent States to adopt specific legislation to combat corruption and had taken considerable subsequent steps in that regard, including the introduction of a Code of Conduct for Public Servants, the development of an e-Government system and the establishment of a specialized national agency to combat corruption. However, without collective management of the interconnected issues of trade, investment, science and technology and corruption prevention, it would be impossible to achieve the MDGs and ensure future prosperity.

71. **Mr. Kridelka** (United Nations Educational, Scientific and Cultural Organization (UNESCO)), emphasizing the importance of cultural diversity and the role of culture in development policies in the context of globalization and interdependence, recalled that the outcome document of the High-level Plenary Meeting on the MDGs (A/65/L.1) had underscored the importance of culture for development and its contribution to achieving the Goals. A high-level round table hosted by UNESCO during that Meeting had further elaborated on the link between culture and development.

72. All facets of culture played a pivotal role with respect to development. The seven UNESCO international culture conventions provided a set of agreed standards serving to develop national policies on culture in harmony with the priorities of the international community. Currently, the cultural industries had an estimated global value of some \$1.3 trillion and were therefore powerful engines of economic growth.

73. The last General Assembly resolution on culture and development, contained in resolution 57/249, had been adopted in 2002. Given the changing international development paradigm, UNESCO welcomed a renewed

discussion on culture and development in the Committee's current session under the agenda item on globalization and interdependence.

**Agenda item 18: Macroeconomic policy questions**

*(continued)*

**(b) International financial system and development**

*(continued)* (A/C.2/65/L.3)

*Draft resolution on the international financial system and development* (A/C.2/65/L.3)

**Agenda item 25: Operational activities for development: operational activities for development of the United Nations system** *(continued)*

(A/C.2/65/L.4)

74. **Mr. Daris** (Yemen), introducing draft resolution A/C.2/65/L.3 on behalf of the Group of 77 and China, said that it was imperative to promote an open, inclusive and transparent discussion on a new international economic and financial architecture, and that, to that end, the sponsors were prepared to enter into dialogue with all interested parties.

*Draft resolution on operational activities for development of the United Nations system*  
(A/C.2/65/L.4)

75. *Mr. Daris (Yemen) introduced draft resolution A/C.2/65/L.4 on behalf of the Group of 77 and China.*

*The meeting rose at 12.55 p.m.*