Opening Speech as Delivered by Dr. Noeleen Heyzer, Under-Secretary-General of the United Nations & Executive Secretary of the Economic and Social Commission for Asia and the Pacific


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Crises, Transitions & Development:
Challenges and Lessons from the Asian Development Journey

Your Excellency, Mr. Kay Rala Xanana Gusmão,
Prime Minister of the Democratic Republic of Timor-Leste

Your Excellency, Mr. Anote Tong,
President of the Republic of Kiribati

Your Excellency, Mr. Gordon Darcy Lilo,
Prime Minister of the Solomon Islands

Distinguished Ministers and Deputy Ministers,
Excellencies,
Ladies and gentlemen,

Introduction

It is my great honour to join so many senior leaders and policymakers from around the world for this Development for All Conference. I would like to begin by expressing my thanks to His Excellency, the Prime Minister of Timor-Leste, his Government, and his people for their warm and generous hospitality. I would also like to sincerely thank Minister Pires, in her role as Chair of the g7+, for her commitment to engaging the voices of fragile and conflict-affected states in the next phase of global development. The fact that Heads of State and Government, and many ministers from around the world have traveled so far for this meeting, is evidence of how important it is to get the post-2015 development agenda right – for all.

Rising Asia was once a very different place. The Asia of my youth, only one generation ago, was an Asia in crisis. A battleground for both superpowers and local wars, conflicts and poverty devastated large parts of the region, and the world was pessimistic about Asian prospects.

In 1968, the Swedish economist and Nobel Laureate Gunnar Myrdal, published his book, The Asian Drama, which predicted a future for Asia of poverty and deprivation, but which concluded that “The drama is still unfolding...history is within the power of man [and woman] to shape”.

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How right he was. The region has transformed itself in pursuit of rapid economic growth and social development, which has affected more than 60% of the world’s population, and has made a real difference to people’s lives.

Just four decades later, despite the global financial crisis, Asia stands firm as the engine not only of regional, but indeed global economic recovery; has created an expanding middle class; and has succeeded in eliminating half of the world’s absolute poverty. The Asian development drama has turned potential tragedy into inspirational progress.

Excellencies, Ladies and gentlemen,

Lessons from this Phase of the Asian Development Journey

What then are the critical lessons that can be drawn from this phase of Asia’s development journey? Even with its geographical, political, socio-economic and cultural diversity, Asia has a number of common characteristics. Almost all successful Asian societies place a high premium on education, health and jobs, and possess a strong work ethic and a sense of the common good.

The key lessons of the Asian journey are also the pillars of a developmental social contract, that is pro-growth, pro-poor, and pro-jobs. Leadership must be accountable; policies should balance the state and the market; institutions must be built which support justice and development; and resources must be wisely invested to generate revenue – ensuring access to education, health, shelter, sanitation, clean water, food and decent, productive jobs. These measures have been complemented in the most successful Asian countries, by actions to deal with issues of corruption and fairness, and to reach out to excluded groups and minorities.

It has been a historic transformation, accompanied by a shift in global influence and economic power, leading many to call this the Asian Century. The continued rise of Asia and the Asian Century are, however, by no means preordained. Asia today faces serious new challenges. Growth has led to inequality and huge disparities across and within countries and sub-regions. Intense competition for finite natural resources, such as water, energy and land threatens to destabilize the region. Similarly, climate change (including changing weather patterns), and increasing numbers of natural disasters, threaten lives and livelihoods.

Excellencies, Ladies and gentlemen,

Challenges of the Next Great Asian Transition

The most powerful unfolding global threats to Asia are the economic crisis and the issues of volatility of exchange rates, commodity prices and financial markets, combined with the threats of global climate change. These are the critical challenges which Asia must address in the next great transition.

Today, with all these threats, Asia is rethinking itself, and reinvesting in itself. It is looking for new drivers of growth by closing development gaps and building stronger, more resilient regional economies, characterized by diverse sources of revenue, and by rebalancing export-driven growth with a greater reliance on domestic demand and consumption. It is using stimulus packages to spend more on health, education, and social protection – to reduce the need for household precautionary savings. And it is addressing a number of different deficits – in infrastructure, in development and in sustainability, including through low carbon green economy policies.
Another challenge for the next Asian transition is the need to link economic growth with inclusion and resilient, sustainable development; to manage massive urbanization without forgetting our rural areas; and to reduce the carbon intensity of our energy and natural resource use. In other words – the next Act in the Asian drama cannot follow the same patterns of economic growth, it cannot be business as usual – this is no longer the same development journey. It is time to take another leap.

Excellencies, Ladies and gentlemen,

From Fragility to Resilience: The New Deal for Fragile States

One of the most valuable aspects of this Development for All conference is the opportunity to explore how the lessons and the experiences of the Asian development journey can be used to throw new light on the situation of the 1.5 billion people still living in fragile and conflict-affected states. Amongst the five most important of these lessons is that:

1. **Citizens’ security matters:** One quarter of the people in the world still live in areas plagued by high levels of criminal and political violence. There are fragile situations even in the high-growth countries of Asia, and large concentrations of poor live in the middle-income countries of the region. With the additional threats to lives and livelihoods of climate change, natural disasters, and economic crises, establishing human security is the most fundamental requirement of development.

2. **Institutions & leadership matter:** To ensure justice and socio-economic security, flexible, effective and accountable institutions and leadership must be established at global, regional, national and local levels to support both integrated policymaking for sustainable development and delivery on the ground. It is critical to harness public private partnerships and to build alliances across developed and developing nations for inclusive and ethical development.

3. **Governance matters:** Good governance starts with democracy, the rule of law, and respect for human rights, Partnerships with the private sector and real citizen engagement are critical – and policies to root out corporate and public corruption, money laundering, and organized crime must be enforced.

4. **Accountable management of natural, human and financial resources matters:** Sixty percent of fragile states are also resource-rich economies, and it is critical that wars are not fought over these resources and that the benefits of these resources are more inclusively and sustainably realized, since growth and trade in developing countries are still largely driven by global commodity markets and speculative financial markets. It is vital for governments to use these resources to invest in up-skilling and education, aligning skills development with jobs.

5. **Regional & global partnerships and engagement matter:** South-South trade and investments have been growing rapidly and have come to represent a significant proportion of global trade and investment flows. We must ensure that South-South cooperation, as an emerging trend in international economic relations, contributes to more equitable, balanced, and sustainable development of fragile countries and that efforts to accelerate regional and sub-regional economic integration link our high growth economies to those of the least-developed, landlocked and small island developing states. In these processes, regional intergovernmental platforms, like the United Nations Regional Commissions, are critical. ESCAP, as the current coordinator of all of the Regional Commissions, is willing to advance these issues on your behalf.

Excellencies, Ladies and gentlemen,
MDGs and Beyond: From Promise to Reality

The voices of the 1.5 billion people for whom this conference was convened, must be heard in the process to shape the next phase of international development. Few are more qualified to inform the review of the Millennium Development Goals (MDGs) than those who have benefitted least from them – our fragile economies and small island developing states.

The MDGs provided a very good framework for development. The real power of the MDGs, however, lay in their promise of a better world – but it has been a promise not kept by everybody, and not felt by all, especially those who remain in persistent poverty in areas of fragility, conflict, and isolation.

The costs of not meeting the promises of the MDGs are high. We know that people living in communities plagued by violence are still twice as likely to be undernourished, 1.5 times as likely to be poor, and that their children are three times as likely to be out of school. We know that more than 42 million people have been displaced, and that citizens in conflict-affected countries still receive, on average, less than half of government spending in other countries on education, health and security.

Clearly these are some of the major elements which need to change when we turn our attention to more sustainable development and the post-2015 development agenda. As we do so, however, we must build the partnerships necessary to keep the promise of the MDGs for all by 2015.

The Peacebuilding and Statebuilding Goals of the New Deal for engagement in fragile states, provide a very useful basis for identifying areas in which the MDGs have been least effective: fostering legitimate politics for inclusive settlements and conflict resolution; establishing and strengthening people’s security; addressing injustices and increasing people’s access to justice; generating employment and improving livelihoods; and generating and managing revenue to build capacity for accountable institutions and fair service delivery.

It is not acceptable for instance, that in many countries the MDGs on which least progress has been made are those relating to women – especially maternal mortality. Our promise of Development for All must also mean security for all, which requires us to close gender gaps to improve human security. Violence against women is a good barometer of the security of a nation. When human security and safety decrease, women especially, face increased problems of violence and deprivation.

These must be among our priorities in shaping a development framework to succeed the MDGs – and we must mobilise the resources, partnerships, alliances and political will, in both developed and developing countries, to convert these promises of a better life into reality for all. Many of these challenges go well beyond the scope of national policy-making alone. It is therefore necessary to harness our regions and the international community to jointly address these issues. We need global, regional, country, and community-level strategies to implement these goals, if we wish to make a real difference to people’s lives.

Excellencies, Ladies and gentlemen,

Lessons from the g7+ for Asia & the World

Moving from fragility to resilience is the foundation from which long-term development must proceed, but fragility can also arise in the most unlikely places. This is the Development for All Conference, and in that spirit I would also like to suggest that there are many lessons
which Asia and the rest of the world should learn from the experiences of the most fragile and conflict-affected countries.

The experiences of our Pacific Island states and of the g7+ have also shown how closely fragility is linked to wider issues, such as environmental destruction, climate change, and natural disasters – which should be warning signs to more developed, higher-growth countries of the dangers to development gains already made, if they do not act quickly on these issues.

Excellencies, Ladies and gentlemen,

Conclusion

In conclusion, there is so much that we can learn from each other. My hope is that this meeting will focus our discussions not only on the future we want, but also on the means of implementation to realize that future as well. We want a future fit for all – one which is inclusive, sustainable and resilient. We want a future where people, planet, and prosperity for all are placed at the centre of our development efforts.

Obrigado. I thank you.