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# Science Blog

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### **‘WE CAN’T TURN BACK THE CLOCK ON GLOBALIZATION’, WORLD BANK PRESIDENT TELLS UN TRADE AND DEVELOPMENT CONFERENCE**

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Numerous Delegations in UNTAD X General Debate Express Similar Views

(Received from a UN Information Officer.)

BANGKOK, 16 February -- As part of a series of interactive dialogues on key issues, the United Nations Conference on Trade and Development (UNCTAD X) this afternoon heard from James D. Wolfensohn, President of the World Bank, before returning to its general debate in the early evening. Representatives of 16 member States spoke in this evening’s general debate, as did representatives of two international organizations.

Mr. Wolfensohn called for an end to slogans and name calling, so that the focus of international attention could be directed at poverty reduction and development. While the actual number of people living in dire poverty has been about 1.2 billion through the past decade, according to World Bank estimates, almost half the world’s population -- nearly 3 billion -- live on less than \$2 a day.

“We can’t turn back the clock on globalization”, Mr. Wolfensohn explained, as technological innovations cannot be uninvented, and restrictions on information and communications technology will ultimately be self-defeating. But only a few developing countries -- and those the better off -- have so far benefited from the trade expansion that is a key element of globalization.

It makes no sense to exhort poor countries to compete and pay their way in the world while developed country protectionist policies deny them the means to do so, by restricting market access to a key sector where they actually have a competitive advantage -- agriculture. But this is precisely the effect of the current structure of developed country agriculture protection, including export and producer subsidies, as well as import tariffs.

During the interactive segment, the need to complement debt-alleviation measures with national level interventions to address poverty was stressed, as was the importance of private investment as a factor for growth. The opening up of developed world markets to allow poor countries a chance to compete was proposed.

The World Bank was asked to help document developing world traditional community

ILEANA DI GIOVAN, Vice-Minister for International Economic Negotiation of Argentina: Globalization has led to new conditions for growth but also unfulfilled expectations. While controversy exists, we cannot halt time and close our markets, because this would just increase poverty and marginalization. We cannot stand by and wait for the benefits to spread to all sectors of all countries. We can act to make a better world, and avoid regressive acts, such as a return to protectionism. At UNCTAD X there is progress and initiatives from developed countries, particularly on tariff-free access for goods from LDCs along with debt relief initiatives. But if there is no political will to act in international trade negotiations on agriculture and textiles, then the other initiatives will be too little too late. The WTO must incorporate agriculture with the same disciplines as other products.

Strengthening the international financial system is perhaps the strongest need created by globalization. The new architecture should include financing mechanism at regional levels. In trade negotiations and moves to reform the financial architecture, we should resolve a problem that applies to both -- that of participation. We should ensure full participation of all interests and all countries in the decision-making frameworks. These frameworks must be revised to ensure that all opinions reach the bargaining tables.

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