

**STATEMENT BY HON'BLE MR. P.R. DASMUNSI, MEMBER OF  
PARLIAMENT AND MEMBER OF INDIAN DELEGATION ON  
AGENDA ITEM:100 GLOBALIZATION AND  
INTERDEPENDENCE AT THE SECOND COMMITTEE OF THE  
58<sup>TH</sup> UNGA ON NOVEMBER 11, 2003**

Mr. Chairman,

We thank the Secretary General for the report on the agenda item globalisation and interdependence under consideration today. We associate ourselves with the statement made by the distinguished representative of Morocco on behalf the Group of '77 under this item.

Mr. Chairman,

The report of the Secretary-General on globalisation and inter-dependence focuses on the effect of increasing linkages among trade, finance, knowledge, technology, and investment on poverty eradication and sustainable development in the context of globalisation.

It was hoped that the era of globalisation would bring about sustained and equitable growth of all nations, as a natural consequence of free movement of capital, goods and services. The impact of the globalisation process has, however, been uneven. As the Secretary-General had observed in the report he presented to the Millennium Summit more than three years ago, the benefits of globalisation are not shared equitably whereas its costs are being borne disproportionately by the poor. Little progress has been made in reducing disparities in income and wealth between nations. Even in countries which have achieved significant growth, a disproportionate share of the gains has gone to upper echelons of the society, resulting in widening disparities in income and wealth within nations. The challenge before the international community is to maximise the benefits of globalisation while minimizing its negative impacts.

The cornerstone of globalisation and liberalisation has been increased participation in international trade and investment. While some developing countries have been able to achieve high growth rates, a group of countries trade even less today than they did 20 years ago. The anxiety relates to unequal returns on globalisation and

the challenge before us is to make it universally acceptable by making it universally beneficial.

We need to examine the challenges faced by the developing countries. Have the imbalances in the global economy and the asymmetries in the global trade exacerbated as a result of globalisation? Foreign direct investment which brings with it not only access to financial resources but also technology has come down drastically in the recent years. Is this downturn attributable to globalisation? A large number of developing countries which are experiencing low growth rates have been engaging in policy reforms. Can these reforms be made sustainable without increased external assistance? It is imperative to create an enabling international economic environment through concerted action on trade, debt and development assistance for the greater integration of developing countries into the world economy.

By way of illustration, export-oriented growth cannot be considered in isolation without aggressive programmes for poverty eradication, priority development of infrastructure including power and transport. These are not merely confined to the area of domestic resource mobilisation, but require planned development, knowledge of markets and international cooperation including financial assistance. India's objective to achieve an annual rate of growth of 8 per cent by 2007 has been predicated on our ability to utilise the positive aspects of globalisation.

At the Millennium Summit, we resolved collectively to ensure that globalisation became a positive force for the development of world's poor, particularly of the developing countries. At the fourth WTO Ministerial Conference at Doha, the International Conference on Financing for Development in Monterey and the World Summit on Sustainable Development in Johannesburg in the recent past, the international community agreed to a development-oriented framework for sustained economic growth and sustainable development for all. We must demonstrate the political will to translate these commitments into concrete actions through good governance at the national and international levels, transparent and effective fiscal discipline, management of expenditure and finance, non-inflationary price-control mechanisms, comprehensive programmes on disaster management, reproductive health sector and health, literacy and housing for enhancing the quality of life. Global interdependence would remain a utopian ideal unless resources, technology and fruits of scientific research are not shared on an equitable basis.

Mr. Chairman,

One of the important tools for the developing countries in their coming to terms with globalisation and deriving benefits from it is access to technology. We feel that this area is as important as access to capital and other resources. Unfortunately, mechanisms have not yet been developed for sharing technology with the developing countries. Access to technology on concessional terms is crucial for the developing countries to enhance their competitiveness in the global market place.

An area of particular importance is of assistance to the developing countries in their efforts to make globalisation of production more sustainable. In this context it is

imperative that all countries promote sustainable consumption and production patterns with the developed countries taking the lead, based on the principle of common but differentiated responsibilities. A review audit on performance in the post-globalisation era could be considered in order to evaluate the growth in the access of developing countries to the markets of the developed countries.

We share the views of the Secretary General that continued efforts should be made to facilitate the access of developing countries to new information and communication technologies. India's national experience has demonstrated that information technology offers enormous potential for meeting the development challenges by adding value to nearly all sectors of national activity. This has been possible only because it reaches out to the masses with appropriate and usable local content. We, in India, have therefore set the target of IT for all by the year 2008. At the global level, the need of the hour is to address the problem of the 'digital divide'. We hope that the forthcoming World Summit of Information Society will address this important issue and make concrete recommendations for promoting the use of ICT, in particular the issue of effective and affordable access by developing countries to information and communication technologies.

Mr. Chairman,

The process of globalisation has seen an increased linkage between migration on the one hand and trade capacity, competitiveness and employment policy on the other. Migration policy now needs to be seen as going beyond social policy. With global firms operating in an international context, the gap between migration policy and trade policy can manifest itself in immigration controls which act as non-tariff barriers.

It is our view that there can, in the context of the general agreement on trade services be a win-win situation with labour shortage in developed countries being matched by labour availability in developing countries. There needs to be a greater level of receptivity among developed countries to the request made to them for enhanced market access in mode 4. For developing countries such as India, the balance of gains in the negotiations will lie in the extent to which our service providers are able to provide services in overseas markets, either from remote locations or through the temporary movement of service personnel. For globalisation to be meaningful for the developing countries, the developed countries should demonstrate far greater openness than hitherto in allowing movement of natural persons across national frontiers; this would be in keeping with their own insistence for such freedom of movement in respect of capital, goods and services.

Employment generation is crucial to the efforts of the developing countries to improve the quality of life. It is also an imperative to impart a human face to the process of globalisation and minimise its negative aspects. Developed countries should take steps to dismantle their subsidy regimes in agriculture and ensure greater market access and level-playing field for the developing countries.

Mr. Chairman,

In conclusion, we would like to emphasise that the outcomes of the major United Nations conferences and summits have already created a significant shared vision towards globalisation and we need to build upon it with collective political resolve. In this context, we take note of the conclusion in the report of the Secretary-General that putting the Millennium Development Goals and other development targets at the centre of economic institutions and policies is a critical way to 'confront the centrifugal forces' unleashed by globalisation. Globalisation with a human face would be an effective tool for the developing countries in their efforts to achieve the Millennium Development Goals. Another suggestion that the Assembly could consider usefully is that by the Secretary-General for the Assembly to give guidance for continuing the international debate on the governance of globalisation by identifying specific aspects of globalisation for a more in-depth consideration. The United Nations is thus uniquely placed to play an important role to deepen the debate on globalisation.

Thank you, Mr. Chairman.

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