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**STATEMENT**

**BY**

**THE HONOURABLE WILFRED P. ELRINGTON  
ATTORNEY GENERAL, MINISTER OF FOREIGN AFFAIRS  
AND FOREIGN TRADE**

**AT THE**

**GENERAL DEBATE  
OF THE  
SIXTY-FOURTH SESSION OF  
THE UNITED NATIONS GENERAL ASSEMBLY**

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**PERMANENT MISSION OF BELIZE  
TO THE UNITED NATIONS**

Mr. President,  
Excellencies,  
Ladies and Gentlemen,

Please permit me to congratulate you, Mr. President, on behalf of the Government and people of Belize, for having assumed the presidency of this 64<sup>th</sup> session of our UN General Assembly and to wish you every success in your stewardship. Permit me also to extend my government's thanks to H.E. Mr. Miguel D'Escoto Brockman, President of the 63<sup>rd</sup> session of the UN General Assembly for his excellent stewardship of the work of the General Assembly during his term.

Mr. President,

Belize is pleased to discharge its obligation by participating in the debate in this the 64<sup>th</sup> Regular Session of the United Nations General Assembly on the theme: "Effective responses to global crises: strengthening multilateralism and dialogue among civilizations for international peace, security and development."

Just over one week ago we celebrated the 28<sup>th</sup> anniversary of our independence. Joining us in the celebrations were members of the diplomatic core drawn from the four corners of the globe. And, even as we made merry, our collective minds were silently cogitating upon the crises that are threatening to destroy our collective way of life and, indeed, the very planet which sustains us all!

Mr. President,

All indications are that the aftershocks of the global economic crisis have now begun to affect Belize's real economy. We are experiencing declining levels of revenue, worrying reduction in productivity, diminishing remittances, crushing debt servicing obligations, unrelenting budgetary pressures, and a drying up of resources on which to draw upon.

These challenges are aggravated by the other ills that plague our day to day existence. Annually we are threatened by hurricanes and floods of greater intensity which greatly reduce the yields of our farmers, erode our beaches and wash away vital infrastructure. Warmer seas damage our great barrier reef and impair its capacity to incubate and nurture the fish and other marine organisms which depend upon a healthy reef system for their survival. Illicit traffickers in drugs and arms penetrate our borders at will leaving in their wake drug addicts, broken families, violence, death and destruction. Our population is also being ravaged by HIV/AIDS. Other non communicable chronic diseases are approaching pandemic proportions. All these crises have placed the attainment of the Millennium Development Goals in Belize in real jeopardy.

The globalization that was the tide to lift all boats has not been so even. Its networks of interdependence have compounded how we as national governments can secure the basic needs of our people. Its evolving system of global governance is unresponsive to the cares and concerns of micro middle income states like ours, for despite the devastating impact it is having upon our economies we are yet to be invited to the table to make our input into the discussion on the global economic crisis. Our pleas for an ambitious climate agreement is yet to be honoured with serious contemplation in the current negotiations though the viability of our

countries hang in the balance; and the global commitment of a development oriented trade round seems to have been perfunctorily relegated to the annals of trade negotiating history.

Our demands though ceremoniously acknowledged in countless resolutions and declarations remain unceremoniously unmet.

Mr. President,

If we are to define an effective global response to the converging global challenges that confront us, we must first examine how we are governed.

While we, as Member States of the United Nations, have endorsed the principle of sovereign equality, it is apparent from the structural relationships engendered in our institutions that that principle is honoured more in the breach than in the observance. The United Nations has its Security Council and the Permanent Five; the International Monetary Fund and the World Bank have their weighted voting; and the World Trade Organization has its green room. In the larger global arena we have a proliferation of convenient groupings - the Group of 6, the Group of 7, the Group of 8, the Group of 20, the Major Economies Forum, to name but a few. The club model of cooperation is deeply entrenched in our multilateral system.

While we cannot deny that this model has facilitated some decisions and agreements, we also cannot ignore the costs associated with the facilitation. This model of global governance has progressively accumulated a debt of trust and confidence amongst the wider international community not only as a result of the manner of exclusive decision-making but also because of the lack of implementation of global decisions and agreements.

The club model of multilateral cooperation suffers from a crisis of legitimacy.

If we accept that we operate as sovereign equals, we cannot continue to acquiesce in governance by a few. We must accept nothing less than equal representation. In that regard, we recognize and applaud our brothers from the South who have through economic prowess and political deftness taken the mantle of leadership in international issues. But, we are *all* entitled to be heard and what's more we are entitled to have the decisions that are made reflect our concerns if not our demands.

We need a new model of multilateral cooperation framework in which all nations can have meaningful input into the decision making process on issues that have a direct impact on their interests. This requires fundamental structural reform and not mere cursory efforts for technocratic coherence. Given the far reaching geo political consequences that the global economic crisis has touched off, we have an opportunity to redress the shortcomings of the exclusive club model and to restore trust and confidence in our multilateral relations. The time for inclusive multilateralism is now.

Allow me, Mr. President, to address some of the very issues that bear upon the immediate interests of my people and my country.

Belize falls within the World Bank category of middle income countries. Middle income countries play an important role in the global economy and in global politics. We account for

some two thirds of the world's population. Our economies meanwhile provide important and growing sources of export demand and potential investment opportunities for foreign investors. Some economies are now even big enough to create systemic risk in global financial markets. Still poverty is prevalent; some three quarters of those living in poverty are in middle income countries. On strategic issues, middle income countries have repeatedly emerged as key players. We also account for an estimated 47 percent of global CO<sub>2</sub> emissions. Moreover, half of the world's protected areas can be found in our countries.

Simply put, whatever happens in middle income countries affect the entire world for better or for worse. For this reason, if for no other, therefore, it is in the interest of the world community that middle income countries remain viable, vibrant, dynamic!

In order for that to happen, however, bilateral and multilateral institutions must redefine the terms of engagement with our countries. Rather than focusing on per capita income, a needs based analysis is necessary. Financing arrangements that tend toward the short and medium term must also be revisited. In order to build capacity, improve our institutions, and spur economic growth, we need direct fiscal and budgetary support. Moreover, in view of the high ratio of debt to GDP in many of our countries which has been further exacerbated by the recent global economic crisis, the need for concessionary financing and debt relief is ever more critical.

Mr. President,

During the 1980s and 1990s, integration of markets spurred significant growth in high income nations, whilst low income nations exploited their comparative advantage in cheap labor. However, middle income countries had neither advantage in knowledge nor low wage products and consequently in real terms experienced economic stagnation. Consequently, many of us embarked on a process of diversification to ensure our continued growth and development. Thus, in the early 1990s, Belize made rapid strides in building up its international financial services industry. We did so in accordance with the best practices of the industry internationally. And, we were guided every step of the way by the recommendations of the OECD.

For a country whose GDP is just over US\$1 billion, the contribution of this industry to our economy is significant. Much of the deposits from the international banking sector have been used to finance development projects, support our citrus industry and commercial free zone and export processing zone businesses, thus accounting for some US\$1 billion worth of investments in Belize. Furthermore, since the sector finances foreign exchange earning businesses only, it enables the generation of millions of dollars in foreign currency that directly supports our fixed exchange rate system. It also is a source of job creation for many Belizeans. On the whole, in 2008, the international financial services industry accounted for some 9 percent of Belize's GDP and 10 percent of gross imports.

Considering the pivotal role that this industry plays in the Belizean economy, ensuring the integrity of this industry is in *our* best interest. We have developed a regulatory framework and enacted legislation for its reinforcement. We also made commitments to the OECD to improve transparency and establish effective exchange of information. Now in the midst of an economic crisis that had its origin in the financial markets of the developed world, the G20 has found it convenient to reactivate its harmful tax initiative at the expense and disadvantage of an industry we have so painstakingly and carefully groomed into a productive sector of our economy.

Beyond the calls for reform, we have heard some G20 Members calling for complete annihilation of the industry. If that were the case Mr. President, my country would suffer, my people would suffer and who amongst the self-appointed caretakers of the global economy will be there to assist? We are convinced that a more equitable and effective way to address the issue of offshore financial services is through a mechanism for multilateral cooperation where all states participate on an equal footing, not, through such irresponsible and unjustified edicts.

Mr. President, climate change presents the most serious threat to our sustainable development and viability. I need not remind this Assembly of the emerging scientific evidence of more rapid climate change and sea level rise. Let me take this opportunity to applaud the Secretary General for making climate change a priority and for convening last week's summit. The urgency of a global response to this issue is inescapable. We welcome various national and regional efforts to construct mechanisms to address climate change and its impacts. In our region, Belize hosts the Caribbean Community Climate Change Centre which has benefited from the support of the international community and has been recognized as a center of excellence. However, we know all too well from the impacts we are observing today that piecemeal action is not sufficient. In fact notwithstanding national and regional action, global greenhouse gas emissions continue to increase. We can only begin to respond to the problem if we can finally agree to implement ambitious mitigation targets and increase our support for adaptation. Considering that small island developing states and other particularly vulnerable countries are already experiencing dangerous climate change, then avoiding adverse effects on these particularly vulnerable countries should be the benchmark for determining our targets and our levels of support. The words of the President of the Maldives resonate with reason – if you save us, you save yourselves.

Mr. President,

Building upon the momentum of the much proclaimed new era of engagement, we are hopeful that longstanding issues on the international peace and security agenda may attain progress.

In some cases, change is afoot.

Cross-strait relations between Taiwan and China have improved; and for the first time, Taiwan participated as observer in the World Health Assembly (WHA). Haiti held elections earlier this year in relatively peaceful and orderly fashion. After forty seven years, the Organization of American States finally lifted Cuba's suspension from the OAS.

We welcome these developments and expect that they signal a change in approach that will allow for full integration of our sisterly nations of Taiwan, Haiti, and Cuba into their rightful place in the international community. For that integration to occur, we must find an appropriate way for Taiwan to participate in the activities of UN specialized agencies. We must sustain our support for Haiti. We must urge efforts to end the anachronistic embargo against Cuba.

In those cases where there have been stalled processes, let us renew our engagement. We cannot fail in realizing the vision of two States, Israel and Palestine, living side by side within secure and recognized borders. We cannot fail in resolving the political stalemate in Honduras. Peace and security are not options they are imperative.

Mr. President,

I began my statement by addressing the governance dilemma – to govern and to be governed.

A distinct feature of the current phase of globalization has been the club model of multilateral cooperation. While there have been new entrants to the club, its exclusive nature remains. However given the largely transnational nature of contemporary threats and challenges as well as their impacts, there is growing distrust amongst the wider international community of the club model and the attendant exclusive decision making process, which distrust is even further reinforced by lack of implementation of decisions and outcomes.

We have been calling tirelessly for structural reforms in our global financial and economic system together with the increased participation of developing countries. We have made a similar demand in multilateral trade talks for wider participation and acknowledgement of special and differential treatment for our small vulnerable economies. In the United Nations, we have been proceeding on a long winding reform of principal organs and the UN system as a whole in which coherence is heavily emphasized. But coherence only superficially deals with our structural concerns. How can we ensure that the development priorities of nations are fully supported in a donor driven structure? The budget is the thing and unfortunately we are the least contributor.

We are likewise the least contributor in the separate substantive debate on anthropogenic climate change. While the least contributor to global green house gas emissions, though, we are disproportionately affected. For this reason, we have insisted that the true test of success for the climate change negotiations is whether what we as a global community finally agree upon can avoid the adverse effects to our small island and low lying coastal countries. Our survival is the benchmark.

What is consistent in the demands we as developing countries and particularly the small states have made is that we want to have a role in the governance of our affairs at the international level. We want to have input into the solutions that are being crafted to problems which we face and in some cases bear the disproportionate burden of.

For us the model of multilateral cooperation must be imbued with legitimacy and for that we must work for a more inclusive process. The twenty first century challenges instruct a new dynamic for international relations, one that must be inclusive and dare I say democratic.

The UN Charter is founded upon this premise of democracy. “We the peoples of the United Nations” assert our determination not only *to be governed* by the principles set out in our Charter but, also, *to govern* by those very principles. As such, the Charter itself vests in us a role in our governance.

We accept this role. And thus we are empowered, notwithstanding the pressing challenges to satisfy the basic needs of our people, to return our country to a path of sustainable development. No effort will be spared to draw upon our limited resources as well as other available resources to invest in human resources, to improve our political and legal institutions, to support traditional and niche industries, to practice fiscal responsibility and to protect our environment for present and future generations.

Mr. President, we solemnly agree that our development is our own responsibility and we welcome the support of the international community in the spirit of multilateral cooperation as we take action to achieve our higher aspirations.

Thank you.