

The UN and Global Economic Governance
Global Economic Governance and Development

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(NLB Conference room 4)

Statement by the Permanent Representative of the Slovak Republic
H.E. Ambassador František Ružicka

Mr. Chairman, Excellences

Ladies and gentlemen

- Slovakia highly **appreciates the initiative and effort** to put together this important debate. It is really a high time to concentrate our efforts to improve cooperation and introduce innovative methods of governance to global challenges that we face today
- As **Deputy Secretary General Jan Eliasson** said: “We should have solutions. We may have plan “A” or plan “B”. ***But we definitely do not have “planet “B”.*** Recently a man of great spirit and geniality Stephen Hawking said: “There is only one way for humanity to survive the next millennium: colonize space”. And he's probably right. But first, we have to take care of the Planet A.
- **Global governance is not a global government** – but without improved, inclusive international cooperation we would not be able to address and effectively solve increased urgency of “non-security” global threats
- The **addition of 80 million people each year** to an already overcrowded globe is **exacerbating the problems** of pollution, waste-disposal, epidemics, water-shortages, famine, over-fishing of oceans, deforestation, desertification, and depletion of non-renewable resources.
- **The nation-state, as a bedrock economic-political institution**, is steadily ***losing control*** over international flows of people, goods, services, funds, and technology.
- UN, as well as all other global and regional organizations, including global investors and companies, must **adopt new philosophy, reflecting these processes**. Especially UN should embrace much wider responsibilities in the area of global economic cooperation
- All ongoing processes – ECOSOC reform, work of HLPF, HLP of eminent persons, discussion about MDGs and especially SDGs, should create a pillar for global economic, social and environment security
- Slovakia may fully subscribe for one of the conclusions outlined in the **report introduced by the PM of the UK David Cameron in 2011 “Governance for growth: building consensus for the future,”** saying the following: “the path to more effective governance did **not necessarily require the creation of new**

institutions and processes, it is necessary to increase political will to act together for *building political consensus necessary for coordinating policy and enabling existing institutions* to work more effectively within their current mandates.”

- While in general agreeing with this statement, we should, with the same breath add, that **philosophy, structure and mandate of existing institutions and bodies should be adjusted to the size and scope** of challenges we face and of goals we have to agree upon. At the end we have to *locate, define and provide a necessary financial resources to reach them*
- **Financial crisis** exposed at least two important factors:
 - **Global interdependence is deeper than we thought**, and it is not possible to strive for results and to achieve these results, if any country, any region, any nation is eliminated from the processes and responsibility. Global economic, social, environmental processes are becoming much more independent a self-perpetrating if not handled globally
 - **States and intergovernmental international organizations are not anymore the only ones to bear the full responsibility** for global economic processes
- These developments bring us to the following conclusions:
 1. In spite of the strong argument of all **G-configurations** (G8, G20, BRICS...) these are not able, and at the end of the day they do **not have a global mandate either, to provide for universal solutions**. This so called “elite multilateralism” must touch ground with “universal cooperation”. So, there should be much closer interaction via communication and other means between those two stakeholders
 2. The value of assets managed by the private equity industry globally hit a record \$3tn in 2011 despite financial market turmoil and sluggish economic conditions. While not wanting to touch issue of private property, **it seems to be unbalanced if at the financing of global challenges we expect the delivery only form public/state sector, multilateral and regional organizations, international financial institutions, without adequate participation of private – especially financial sector and global businesses**.
 3. UN is the only global organization that provides room for multilevel, **universal and all-inclusive dialogue and cooperation**. Yet it should as well go through necessary adaptation and reforms. As after two devastating wars in 20th century it was of utmost importance to build a global security structure and adopt universal rules of inter-national cooperation which are enshrined in the UN Charter, **21st century requires the necessity to built universal, global economic governance architecture**. We have building blocks, now we have to build a system that is effective, inclusive, user-friendly and running.
- Thank you Mr. Chairman