



PRESIDENCE DE LA REPUBLIQUE

MESSAGE FROM

M. JACQUES CHIRAC, PRESIDENT OF THE REPUBLIC,

AT THE OPENING OF THE MINISTERIAL FORUM ON FINANCING FOR DEVELOPMENT

(Paris, 8 April 2004)

You are meeting to promote solidarity between nations. It is a major imperative of our time. I am with you in this fight.

It's a fight for ethics. The Universal Declaration of Human Rights affirms the equal dignity of all humans. As the pace of exchanges between people speeds up, it must inspire us to make a sustained effort to compensate for the handicaps holding back the poorest. An open world leaving hundreds and hundreds of women and men with no future would be a betrayal of our ideals. We cannot accept it. We must do something.

Building solidarity between nations is also a matter of enlightened interest. The world economy benefits from the emergence of new, dynamic and prosperous markets, with their potential for innovation and capital equipment needs. Conversely, severe poverty is like a millstone impeding growth.

Finally, building solidarity between nations is a matter of security. Sustained economic growth helps us act far more effectively against the scourges of modern times, such as international organized crime and drug trafficking rings and terrorism. By spreading hope, it also helps allay resentment, frustration and humiliation.

MONTERREY 2002/MILLENNIUM GOALS

In 2002, in Monterrey, we succeeded in uniting in a coalition for solidarity. By founding this partnership for development, the international community was talking the language of confidence and commitment. There are no longer, on one side, powers which give orders and assist and, on the other, countries which receive them and carry them out. Now there are partners united around a common goal. Under the terms of the Monterrey Consensus, any country which conducts balanced and sustained growth policies must be able to access the resources required to finance its efforts. This is the spirit of the NEPAD approach, which holds such promise for Africa.

Progress has been made in the last two years, including a substantial increase in Official Development Assistance. France is playing her full part.

However, everyone knows that this progress is not enough. At the present rate, we will not achieve in 2015 the Millennium Development Goals we set for



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ourselves in New York in September 2000, at the dawn of the new century.

We are bound by these commitments, North and South together, and we shall be accountable to future generations for our success or failure.

The pathways for achieving these targets have been devised by experts from international institutions. To trigger the critical change enabling a poor country to break out of poverty, carve out a place for itself in international markets and make its growth rate outstrip its population increase, and to give it the means to set in train the education, social and health policies vital to satisfy the basic needs of its population requires a very strong kick-start. This clearly comes first from the States themselves. But, of course, it requires international assistance.

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So when Tony Blair suggested to me the idea of an International Finance Facility designed, during the period of its existence, to raise the extra \$50 billion necessary each year to achieve the Millennium Goals, I agreed immediately. I am delighted that the United Kingdom and France are working together to flesh it out, a task which Gordon Brown has initiated with talent.

This proposal can move things forward.

It's a pragmatic solution. To fulfil an urgent imperative, it proposes a simple and effective solution: raising on the international markets a loan guaranteed by the rich countries.

It is a generous solution, because it calls for the loan to be repaid, not by the beneficiaries of the funds, but by the borrowers, as part of their Official Development Assistance.

This solution makes good economic sense, because it consists in financing investment through borrowing. And it really is about investment, because the funds will be used for economic development.

I am fully aware of the difficulties which could impede the implementation of such a programme, and the many questions it raises, such as how it fits into the long-term, and how to ensure the funds raised are used effectively and democratically. You will be talking about all this today, totally freely, but nevertheless asking yourselves if there are other credible solutions for freeing the world from the suffering imposed by poverty and for paving the way for shared prosperity.

We also need to discuss how the wealth being created by globalization can be used more effectively to give the international community sufficient and, above all, stable resources to cover basic needs: education for all, access to safe water and sanitation, fighting AIDS, malaria and tuberculosis, food security and the prevention of and recovery from ecological disasters.



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INTERNATIONAL TAX/WORKING GROUP ON NEW INTERNATIONAL CONTRIBUTIONS TO FINANCE DEVELOPMENT

The quest for an international tax system to benefit sustainable development dovetails neatly with the approach proposed by the United Kingdom. It must be undertaken without preconceived notions, in the same pragmatic spirit and with imagination. Once again, I am fully aware of the difficulties that will have to be overcome, chief of which is the very natural reluctance to talk about tax. But we cannot keep up the accelerated pace of economic globalization without, at the same time, setting up compensatory mechanisms, such as the ones that we have had such a hard time establishing at national level over the last two centuries.

I have set up a high-level group tasked with reflecting totally independently on this issue which I believe is critical for international solidarity. It will be submitting its preliminary conclusions to me in May and will benefit from your discussions.

Ladies and gentlemen,

If we are to make globalization a success, we have to overcome old divisions. The division between national sovereignty and supranational powers, which must give way to the idea of shared responsibility. Division between North and South, which is so harmful at a time when we need to build a common future. Division between private and public sectors, which stems from another era. Division between civil and public society which is unproductive at a time when we need to establish a global democracy.

I would like to welcome you most warmly to Paris and hope that your discussions, with their emphasis on human progress and humanitarian duty, will contribute to creating the new prospects we need so much.

Thank you. |