

New York LDC Watch Statements
Roundtable 4 June 26, 2009
-Arjun Karki

Madame co-chair, Excellencies, Ladies and Gentlemen,

I am representing LDC Watch, a global alliance of Civil Society Organisations that came out of UN LDC III Civil Society Forum process in 2001. Madame Co-Chair, first of all I fully endorse the statement made by my colleague Ingrid Srinath. The financial crisis is a systemic crisis, which originated in the advanced developed economies. It emerged in the context of the global crisis of food, climate, debt and social development. This is a crisis, which the citizens of the LDCs have played no part in creating. The current global economic crisis has not only shaken the foundations of the largest economies, stock markets and the most influential financial institutions around the globe but also put the already fragile small economies of the world's 49 Least Developed Countries (LDCs) into peril. It has spearheaded a multiple of other crises, pushing millions of poor women, men and children into poverty and livelihood hardships. The current food, fuel, climate, debt, development and political crises in LDCs can be attributed to this economic crisis.

It is evident that the LDCs are in the forefront of bearing the brunt of the crisis, a crisis resulting from the fallibility of the rich, industrialized and developed countries. It has tremendously affected the lives of people living in the LDCs. The political crises worsened by human rights violations including violent conflicts in LDCs are some of the manifestations of the economic crisis. Several LDCs including Burkina Faso, Guinea, Haiti, Mauritania, Mozambique, Nepal, Senegal, Somalia and Yemen are experiencing their worst food crisis. People living in poverty in LDCs spend 70-80% of their incomes on food. This 'silent tsunami' has profound consequences for millions of people in LDCs facing widespread misery and malnutrition.

Similarly, we must put international commitments into actions with immediate effect in order to address the underlying causes of the global economic crisis, and materialising the Internationally Agreed Development Goals (IADGs) including the Brussels Programme of Action (BPoA), Millennium Development Goals (MDGs). I want to draw attention of international community to the fact that if we failed to achieve MDGs in LDCs, we can not achieve them in over all. In other words, no MDGs without LDCs. Madame co-chair, immediate and unconditional cancellation of all LDCs debt is urgently needed if we were to achieve MDGs in LDCs.

Madame co-chair, the global crisis need global solutions. Global solutions can only be found in a truly inclusive process towards the transformation the international financial architecture together with a paradigms shift in development approaches and priorities. Madame co-chair, the UN development

systems is the only existing legitimate mechanism through which massive impact of financial crisis can be addressed and can play important role in initiating pro-poor and pro-people development approach to deal with new development challenges.

Madame co-chair, we have seen various initiatives of bailout of banks and companies but not so much interests on bailing out people living in extreme poverty both in North and South. Therefore, I urge UN development system to play a significant role in bailing out people who are living measurable lives in global south in general and LDCs in particular. We should address the causes and not just the symptoms of the problems. Madame co-chair, not cosmetic but systemic change is needed to bring lasting democratic changes in our part of the world. NOT AID EFFECTIVENESS BUT ON DEVELOPMENT EFFECTIVENESS.