



Statement by H.E. Archbishop Ivan Jurkovič, Permanent Observer of the Holy See to the United Nations and Other International Organizations in Geneva
UNCTAD Trade and Development Board
Geneva, 5 December 2016

Mr President,

At the outset, the Holy See would like to thank you for your ability to bring all the Member States to a substantive result in achieving the “Nairobi Mafikiano” during the Ministerial Conference. Allow me also to express our appreciation to the Director General and the Secretariat for the preparation of the Trade and Development Board and for the outcome achieved by UNCTAD this year through the approval of its mandate for the next quadrennium. In Nairobi, last July, States were able to discuss and address the contemporary needs and priorities of developing countries in the current volatile and unbalanced global environment.

As is also stated in the *Nairobi Maafkiano* “UNCTAD was established to promote an inclusive global economy, through informing national and international policies, while giving priority consideration for the needs and interests of developing countries. This would lead to better standards of life and create a better and more effective system of international economic cooperation whereby the division of the world into areas of poverty and plenty may be banished and prosperity achieved by all”¹.

Throughout history, trade has helped to transform economies, reshaping the division of wealth and power. More recently, advances in technology and in communications allows developing countries to enter international markets through specialization in specific tasks and intermediate products. In addition, the international community has taken steps to make the world trading system more equitable and has expanded World Trade Organization (WTO) membership to include most of the developing countries.

The world economy in 2016 is still in a fragile state, with growth likely to dip below the 2.5 per cent registered in 2014 and 2015. The mediocre performance of developed countries since the 2008–2009 economic and financial crisis is predicted to endure, with the added

¹ Cfr. TD/519/Add.2, par. 8 http://unctad14.org/Documents/td519add2_en.pdf

threat that the loss of momentum in developing countries over the past few years will be greater than was previously anticipated. The trade slowdown of the last years has been widespread across most of the developing and developed countries. Average trade growth rates for all regions are now very low and just a fraction of what they were in the pre-crisis period. The reasons for the ongoing trade slowdown are to be found in a variety of factors. While some of these factors are likely to have only temporary effects and maybe cyclical in nature, others are likely to be more long lasting and related to structural shifts.

The economic system is based on mechanisms that are not, however, automatic. They work if initiated with the right intention and appropriate levels of spiritual, physical, human and social “capital”. The great global contradiction in history has been the rapid growth of affluence in some areas of the world while others have remained cut off and at the margins. Global markets can be good servants but bad masters; and ceding more authority to those markets is a matter of political choice, not economic or technological destiny. The economic slowdown in developed economies rules out any simple explanation that those choices are the product of a rigged North-South game. Indeed, the combination of slower growth and rising inequality in these economies has left its own trail of depressed communities. The big political challenge facing the international community is therefore to move beyond a mapping of the winners and losers, of moving from globalization to a more constructive narrative of building shared prosperity.

As recalled in the political Declaration *Nairobi Azimio*: “We still face an unequal global distribution of resources and opportunities, but today we are better placed to take concrete actions that can address the inequalities between and among countries and peoples. In 2015, world leaders agreed on how to better position the international community to address some of the most pressing global challenges. These agreements and outcomes collectively offer a blueprint for how the global economy, society and environment should look in 2030”.

The policies of multilateral institutions, the set of 17 goals of the Post-2015 Agenda cannot merely attempt to achieve a kind of “efficient equilibrium” from the spontaneous outcomes of self-interested actions. We must strive instead for the common good, which requires, on the one hand, both effort and self-restraint of every member of a group, society, or community of nations, and, on the other hand, cooperation among them. The ground for the common good must be prepared step by step and day by day, by continuous and conscientious efforts in two directions—one *structural* and the other *virtuous*: the goodness of institutional *structures* help promote the common good, while the *virtuous* behavior of persons helps transform institutions.

This is what is required to address the fundamental questions that are related to the financial crisis and the quest for solutions to it. Thus, when we talk about the *common good*, we need to recognize that “the degree of its realization in any given historical moment

depends on the readiness of members of the group to act according to their profound vocation of brotherly humanity.”²

As usual, it is very difficult to make predictions, but if we want to give the 2030 Agenda an opportunity to succeed we should continue to implement the Addis Ababa Action Agenda which calls us to redirect the national and international investment regime towards sustainable development. It is time to embrace a transformative shift to translate declarations into actions, and commitments into achievements. It is no longer enough for us to restate our position after having negotiated a balanced Ministerial mandate, our common goal should be to make it work in order to transform our decision into action and achieve this ambitious goal formulated in the 2030 Agenda.

Thank you, Mr. President.

² Dembinski, Finanzen und Fristen: Krise der Kongruenz zwischen Realität und Virtualität der Zeit, in Religion-Wirtschaft-Politik: Vol. 8. Kapitalismus – eine Religion in der Krise I. Grundprobleme von Risiko, Vertrauen, Schuld, eds. G. Pfeleiderer & P. Seele, pp. 282–322, Zürich, 2013.