



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  
*General debate*  
Geneva, 14<sup>th</sup> September 2017

Mr. President,

The Delegation of the Holy See would like to congratulate you on your election to chair the Trade and Development Board. My Delegation is confident that under your leadership we will be able to reach a positive outcome during this session, as we did in the previous ones. Allow me also to express our appreciation to the Secretary General of UNCTAD and the Secretariat for the preparation of this session.

Looking at the global forecast, there has been a renewed optimism about the prospects for a broad-based global recovery. However, global growth is unlikely to rise much beyond the average rate of 2.5 per cent recorded in the five-year period 2011– 2016; the forecast for the world economy in 2017 is 2.6 per cent, not much higher than in 2016. Weak international trade growth in the last few years largely reflects continuing weakness in the global economy. Trade has the potential to strengthen global growth if the movement of goods and supply of services across borders remains largely unfettered. History suggests that it is not uncommon to experience times of prolonged low growth. But history also shows the dramatic consequences that this kind of situation can have.

With the creation of UNCTAD more than 50 years ago, the United Nations embraced for the first time an inclusive and forward-thinking trade and development agenda with a vision of prosperity for all. Since then, this promise has begun to bear fruit. An increasing number of developing and transition economies have managed to integrate into the world economy. This has resulted in an unprecedented expansion in international trade.

At the same time, over the years the world has witnessed a decline in global extreme poverty and positive development in certain areas. However, these have not been equally shared. The benefits of globalization, combined with a general improvement of macroeconomic management, have helped the integration of many developing countries into the global economy. But we still have a long way to go in reaching the degree of development that would reflect the vision of prosperity for all.

Achieving inclusive growth and development requires policies aimed at reducing inequality in income and assets; fostering social dialogue, particularly among workers and employers; promoting social justice and reducing vulnerabilities. Accordingly, it is also worth recognizing that economic activities function not only through the self-regulation of markets, but they should

also be at the service of persons. Any development and growth strategy should aim at the promotion of the human person and the primacy of his/her work.

During the past decades, globalisation has shown several limits and has become a victim of its own success. There is a widening gap of inequality,<sup>1</sup> particularly within emerging and advanced economies. In some advanced economies, the middle class is under stress and reducing in size, while in developing economies, the poor are pushed further down the scale of growth and development. “The growth of inequality and poverty undermines inclusive and participatory democracy which always presupposes an economy and a market which are equitable and non-exclusive.”<sup>2</sup>

The world economy has not yet recovered from the financial crisis<sup>3</sup>. Growth is still disappointingly low, and there is an increased danger that this state of affairs is becoming accepted as *normal*. Policymakers need to assess current approaches and to pay closer attention to indicators which help to predict economic growth or its decline in the future. As Pope Francis has observed, the financial crisis “makes us forget that its ultimate origin is to be found in a profound human crisis. In the denial of the primacy of human beings!”<sup>4</sup> People living in poverty readily recognize—“an economy of exclusion and inequality” (EG, 53). -

Similarly, the international political and economic agendas are sometimes applied in a ‘one size fits all’ approach which require low-income countries to set “rigid national policy agendas” that follow international benchmarks, so that they may qualify for international aid. The consideration of local conditions is judged irrelevant. But, in fact, the complexities of the development process-in local situations may not be glossed over or ignored. In other words, if the new SDGs are not rooted in an anthropology that sees the human person as open to others and to transcendence, they will not serve the common *good*, and will not close the distance between *haves and have nots*.

In conclusion,

Actions at both the multilateral and domestic levels are necessary for achieving the objective of promoting meaningful "inclusive trade". Growth will be really inclusive if it fosters employment and rising wages. For developing countries, this means acquiring competitiveness in new sectors and technologies.

Mr. President,

My Delegation would like to recall the role that UNCTAD can play in shaping a culture of fair and inclusive multilateral cooperation. This should be the permanent role of UNCTAD, to be an opportunity and a place for a renewed and effective dialogue on development.

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<sup>1</sup> Bourguignon, 2013. The Globalisation of Inequality. Lecture at the European University Institute, Max Weber Programme [www.cadmus.eui.eu/bitstream/handle/1814/26496/MWP\\_LS\\_2013\\_02.pdf?sequence=1](http://www.cadmus.eui.eu/bitstream/handle/1814/26496/MWP_LS_2013_02.pdf?sequence=1)

<sup>2</sup> Pope Francis, *Address to participants in the Plenary Assembly of the Pontifical Council for Justice and Peace*. 02 October, 2014.

<sup>3</sup> Cfr., <https://www.ft.com/content/c8d1d150-7869-11e7-a3e8-60495fe6ca71>.

<sup>4</sup> Pope Francis, *Address to the new non-resident Ambassador to the Holy See*, 16 May 2013.

Thank you, Mr. President.