



Statement by H.E. Archbishop Ivan Jurkovič, Permanent Observer of the Holy See
to the United Nations and Other International Organizations in Geneva
at the 68th Executive Session of the
UNCTAD Trade and Development Board
Geneva, 2 October 2019

Mr. President,

At the outset, the Delegation of the Holy See would like to thank the Secretary-General and the Secretariat for the 2019 Trade and Development Report on “Financing A Global Green New Deal”. As the Report highlights, the mountain of global debt, much of it manipulated into a lucrative business for short-term profit, has never been higher and has continued to grow at an alarming pace since the global financial crisis of 2008. This leaves little space for sustainable development strategies to flourish since these rely on access to markets abroad, on flourishing trade relations and technology transfer, as well as affordable financing of the developmental agenda. Instead, too many developing countries still depend on commodity exports, face growing financial and debt distress in unregulated international financial markets and are continuously exposed to external shocks to their struggling economies, having to tighten their belts when they should be growing fast.

As a result of these ongoing conditions, over the last three decades real wages have stagnated, even in advanced economies, while asset values have been on the rise. The dominance of short-term speculation over productive and collective progress is one of the main sources of sharply rising inequalities, especially in income resulting in growing discontent among those who are marginalized and an overall destabilization of the world economy.

This difficult development situation is exacerbated by the effects of climate change, which are already causing severe damage all over the world. Among others, the economic consequences will be drastic across the planet, but vulnerable communities will be likely to suffer the most. And climate change is only one aspect of a much wider environmental crisis brought about by an extractive growth model that has placed profits above human life and community well-being. Together, these growing anxieties, if left unaddressed, will lead to further destabilization, both economic and political, than those we are already witnessing.

Mr. President,

As the report contends, in an interdependent (and hyper-globalized) world, to address the interlinked crisis factors requires “a global green new deal”, that is the proactive creation of political consensus and the reconstruction of a multilateralism that can deliver for many, rather than just a few. In other words, it urgently requires coordinated policy and regulatory action that prioritizes the effective and fair delivery of public goods and the promotion of the common good. This new multilateralism must address the three main drivers of the global crisis – economic stagnation and stalled development, inequality and unfairness, and environmental destruction – from an integrated perspective that understands the linkages between these different sides of the same coin.

This also means that actors, tools and policies need to change: A Global Green New Deal should build on systematically reclaiming the public sphere and a policy agenda for economic justice and on reigning-in unproductive corporate rentierism, financial speculation and unregulated capital.

Such a deal should aim at: (i) decarbonizing and revitalizing the world economy by scaling up public investment and promoting green industrial policies, (ii) reversing income inequalities through economic policies that increase the wage share in our economies and subsequently strengthen public finances through progressive taxation, and (iii) driving a global reform agenda that clamps down on abusive business practices, ensures debt relief where most needed, alongside affordable development finance in future, in order to fund environmental protection and inclusive structural transformation.

Mr. President,

With honesty, responsibility and courage, the international community has to put the knowledge and talents “at the service of another type of progress, one which is healthier, more human, more social, more integral” (*Laudato si'*, 112), capable of placing economy at the service of the human person, of building peace and protecting the environment.

Thank you, Mr. President.