



PRESS RELEASE

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Silencing the Message or the Messenger Or Both?

Statement by former UNCTAD staff members on the UNCTAD XIII negotiations April 2012

On 11 April 2012, two former senior UNCTAD officers held a press conference at the Club Suisse de la Presse, Geneva, Switzerland. They presented a statement signed by almost 50 former senior UNCTAD officers and staff that expressed deep concern and alarm regarding the pressure placed on UNCTAD and the Group of 77 by major developed countries in the preparations for UNCTAD XIII. The statement had been delivered that day to H.E. Mr. Anthony Mothae Maruping of the Kingdom of Lesotho as the President of UNCTAD's Trade and Development Board and the Chair of the UNCTAD XIII Preparatory Committee.

At that press conference, Dr. Yılmaz Akyüz, former Director of the Division on Globalization and Development Strategies of UNCTAD, and Mr. John Burley, former Director of the Division for Services Infrastructure and Trade Efficiency of UNCTAD, stressed the major role that UNCTAD had played in providing analyses and insights on global macroeconomic issues that are heterodox and independent.

Since its establishment almost 50 years ago at the instigation of developing countries UNCTAD has always been a thorn in the flesh of economic orthodoxy. Its analyses of global macroeconomic issues from a development perspective have regularly provided an alternative view to that offered by the World Bank and the IMF controlled by the West. Now efforts are afoot to silence that voice. It might be understandable if this analysis was being eliminated because it duplicated the work and views of other international organizations, but the opposite is the case - a few countries want to suppress any dissent with the prevailing orthodoxy.

UNCTAD is about to have its 13th quadrennial conference (Doha, 21-26 April 2012). Developing countries in Geneva, again, are struggling to resist the strong pressure piled on them by OECD countries and to defend the organisation to which they had been "umbilically" tied. Developed countries in Geneva have seized the occasion to seek to stifle UNCTAD's capacity to think outside the box and provide independent analysis. This is neither a cost-saving measure nor an attempt to "eliminate duplication" as some would claim. The budget for UNCTAD's research work is peanuts and disparate views on economic policy are needed today more than ever as the world clamours for new economic thinking as a sustainable way out of the current crisis.

All of the signatories to the statement had worked as senior officials for UNCTAD at one time or another who all believe in the value of maintaining an independent research capability that serves

to focus inter-governmental debates on how the workings of the global economy affect developing countries.

The signatories include the former Secretary-General of UNCTAD, Rubens Ricupero; two former Deputy Secretary-Generals, Carlos Fortin and Jan Pronk; a number of former directors; and several well-known personalities from academia who earlier had worked in UNCTAD, including Professor Dani Rodrik from Harvard University.

For more information, please contact:

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Additional copies of the attached statement can be downloaded from www.southcentre.org.

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Statement by former staff members of UNCTAD
Geneva, 11 April 2012

Silencing the message or the messenger or both?

Since its establishment almost 50 years ago at the instigation of developing countries UNCTAD has always been a thorn in the flesh of economic orthodoxy. Its analyses of global macro-economic issues from a development perspective have regularly provided an alternative view to that offered by the World Bank and the IMF controlled by the west.

Now efforts are afoot to silence that voice. It might be understandable if this analysis was being eliminated because it duplicated the work and views of other international organizations, but the opposite is the case - a few countries want to suppress any dissent with the prevailing orthodoxy.

No multilateral institution is perfect, but UNCTAD's track-record of analysis and warnings on global trends and problems certainly stands up to those of other organisations. As otherwise unfavourable commentators have occasionally admitted, UNCTAD was ahead of the curve in its warnings of how global finance was trumping the real economy, both nationally and internationally. It forecast the Mexican tequila crisis of 1994/5. It warned of the East Asian crisis of 1997 and the Argentinian crisis of 2001. It has consistently sounded the alarm of the dangers of excessive deregulation of financial markets. It has stressed the perils of rapid, non-reciprocal trade liberalization by developing countries. UNCTAD economists have not had to suffer the psychology of denial so prevalent in other organisations.

So why is the UNCTAD message so unwelcome? The fact that UNCTAD has no formal responsibility for the global management of the international economy and none of its own funds

to dispense means that its analysis is free of vested interests. No organisation correctly foresaw the current crisis, and no organisation has a magic wand to deal with present difficulties. But it is unquestionable that the crisis originated in and is widespread among the countries that now wish to stifle debate about global economic policies, despite their own manifest failings in this area.

Because of the crisis, we do now have a better explanation of the inter-relationships between the real economy and the world of finance. Those explanations are now a good deal closer to what UNCTAD has been saying for nigh on three decades about the dangers of finance-driven globalization. And it is precisely in its analysis of interdependence that UNCTAD brings added value to an understanding of how the functioning of the global economy impacts on the majority of the world's population who live in developing countries. Given the current pressure on the organisation and its secretariat, that contribution could now be gone for good.

Why now? UNCTAD is about to have its next quadrennial conference (Doha, 21-26 April). UNCTAD conferences are a shadow of their past, being now simply a time to agree on secretariat work programme priorities for the next four years. But that is precisely what is at stake.

Developing countries in Geneva, again, are struggling to resist the strong pressure piled on them by OECD countries and to defend the organisation to which they had been “umbilically” tied. They are not fully succeeding, in spite of the BRICS pledge of support manifested at its recent summit. So the developed countries in Geneva have seized the occasion to stifle UNCTAD's capacity to think outside the box. This is neither a cost-saving measure nor an attempt to “eliminate duplication” as some would claim. The budget for UNCTAD's research work is peanuts and disparate views on economic policy are needed today more than ever as the world clamours for new economic thinking as a sustainable way out of the current crisis. No, it is rather – if you cannot kill the message, at least kill the messenger.

All of the undersigned have worked as senior officials for UNCTAD at one time or another. Individually, we may not necessarily have agreed with what UNCTAD was saying on specific issues. We have no vested interest in this matter except that we all fervently believe in the value of maintaining an independent research capability that serves to focus inter-governmental debates on how the workings of the global economy affect developing countries.

At time when pluralism is finally being meaningfully discussed in the election of the President of the World Bank, it is ironic that OECD countries are endeavouring to stifle freedom of speech within another multilateral organization.

If those who were proud to work for UNCTAD do not speak out now, who will?

List of signatories*

Eugene Adoboli	Manuel Agosin	Yilmaz Akyuz
Xavier Alphaize	Jamshid Anvar	Mehmet Arda
Gerry Arsenis	Awni Behnam	Michael Bonello
John Burley	Victor Busuttil	Hans Carl
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Detlef Kotte	Kamran Kousari	Kurt Kwasny
Roger C. Lawrence	Tony Lydon	Chandrakant Patel
Jan Pronk	Rubens Ricupero	Dani Rodrik
Lorraine Ruffing	David Saca	Sergei Safronov
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* This letter in no way engages any responsibility on part of any of the organisations with which any of the signatories are currently affiliated.

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