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**Statement of H.E. Mr. Harri Holkeri,  
President of the 55th Session of the General Assembly,  
at the luncheon of the World Association of Former United Nations  
Interns and Fellows (WAFUNIF) - "Poverty Eradication - Attaining  
the Development Targets of the Millennium Declaration"**

It is a pleasure and great honor to address this association, whose members have served the United Nations over the years in so many valuable ways. I would like to thank the world association for the opportunity to participate in this luncheon.

Almost one year ago, the Heads of State and Government adopted the Millennium Declaration, which reaffirmed the development goals of the international community for the coming decades. This manifestation by world leaders of global consensus and a shared vision for the future of humankind was adopted at the highest political level. One of its most important targets is to halve the proportion of the people living in extreme poverty - on less than one dollar a day - by the year 2015.

Some argue that the Millennium targets are over-ambitious, even unrealistic. It is understandable to raise this concern, as we continue the discussion on how to attain the Millennium targets. This week, the United Nations Development Programme launched its annual flagship report, the Human Development Report. I have some good news. According to the report, reaching the Millennium goals of universal primary education and gender equality in education are well under way in many countries. Statistics also prove that poverty rates are declining fast enough in some countries with big populations, like China and India, to meet the poverty goal by the year 2015.

The bad news is that the majority of countries seem not yet to have established the national policies that would lead to attaining the Millennium targets. Ninety-three countries are not on track to reduce under-five mortality by two-thirds, as agreed last September. And policies in 74 countries with over one-third of the world's population are not on course to halve poverty by 2015.

The Millennium targets present a major policy challenge for both developed and developing countries. However, in my presentation today, I would like to affirm my confidence that the Millennium goals are realistic and within our range. The global community has massive human, technical, technological, and financial resources. Our awareness of relevant policies required is more advanced than ever. Perhaps most of all, we have the strong political will and commitment, as the Heads of State and Government attending the Millennium Summit clearly demonstrated.

There are several definitions of poverty and several ways to measure it. Traditionally, it has been measured in terms of income and consumption. Those people falling below a poverty line that

does not meet minimum acceptable standards of consumption are considered to live in extreme poverty. There are over one billion people in this category, earning less than one dollar a day. The highest poverty figures are in South Asia and sub-Saharan Africa, but no country struggling with this issue should be neglected.

To tackle poverty, we need to understand that it is not only about low levels of income, but poverty often correlates with other indicators, such as early mortality, disease, illiteracy, unemployment, and inadequate access to health care and education. To illustrate poverty from the perspective of children, the most vulnerable among us, there are ten million children dying annually before the age of five, mostly due to malnutrition and preventable disease. Millions of other children, most of them girls, never attend school. From the macroeconomic standpoint, several poor countries suffer from supply-side constraints, lack of investment and systemic imbalances.

The United Nations has consistently emphasized the importance of these other dimensions of poverty. According to the Universal Declaration of Human Rights, poverty is also a denial of human rights because everyone is entitled to the provision of basic human needs. Furthermore, the psychological effects of poverty may overshadow the experience of material deprivation. Social exclusion, inability to participate in decision-making, total lack of control over one's future, as well as lack of choices, of freedom and of personal security, make poverty even more difficult to overcome. Some of these qualitative dimensions of poverty are hard to measure, but they need to be included in our policy considerations.

Substantial policy change is needed to halve extreme poverty. Eradication of poverty requires not only economic growth, but also pro-poor strategies covering the multidimensional character of poverty and addressing all its root causes. In this context, we must focus on human capital, social development, and distributive mechanisms. Gender-sensitive policies are necessary, as poverty often affects more women and girls. This kind of approach is essential, because the benefits of growth do not necessarily automatically trickle down to the poor; indeed growth may even increase poverty and inequality within societies. Several studies, including those conducted by the UN University's World Institute for Development Economics Research (WIDER) in Helsinki, verify that inequality is a serious obstacle to reducing poverty. Social inequality may also slow the speed of growth. Societies with high inequality will need a much more rapid rate of growth than countries with low inequality to meet the benchmark of halving extreme poverty.

Recently, we have seen signs of a shift in the development paradigm, which also concerns poverty eradication policies. Due to globalization, there has been an increase in trade and investment flows, but the expectation that global market forces would bring development has not been fully met. The record has been mixed: some countries have successfully adapted and benefited from globalization, but many others have not been able to take full advantage of opportunities offered by expanding markets. The fruits of globalization have been unevenly distributed among and within societies. The Asian financial crisis even illustrated that countries

which have benefited from globalization could become more vulnerable than others. This sent a shock wave throughout the world. Globalization remains a potential engine of economic growth and development, but national poverty policies have to include all dimensions of development.

Several Millennium targets are intertwined with poverty and underline its cross-sectoral nature. For example, although not an income-related disease, HIV/AIDS spreads faster when combined with poverty, and its impact is intensified. The HIV epidemic can further alienate the poor from society and increase their distress. Poor communities can be more exposed to it because of lack of knowledge and of access to health care, due to the high cost of drugs. A family may lose an important source of income when an employed family member becomes infected and ill. The roll call of AIDS orphans unfortunately highlights the intergenerational nature of poverty.

The Millennium Declaration emphasizes our collective responsibility towards welfare and development, but it also stresses the responsibility of national Governments. Societies and Governments themselves need to identify their development targets and coordinate local timetables and solutions for poverty eradication. Developing countries, however, cannot be left to handle this enormous task alone: the international community and the United Nations system must assist country-driven processes.

Attaining the Millennium targets requires patience and a long-term vision. National and international policies and actions are mutually supportive. At the national level, democracy, respect for human rights, the rule of law, transparent and accountable governance and administration, including combating and eliminating corruption are indispensable foundations for the realization of people-centered sustainable development. At the international level, improved management of globalization, with market access and debt relief, can produce beneficial effects for the eradication of poverty. Partnership with civil society at all these levels is a necessity.

One of the most critical issues facing developing countries, particularly the low-income countries, is development finance. I believe the main strength in development is people themselves, but development cooperation and aid are necessary to build human resources and institutional capacity.