



**MISION PERMANENTE DE BOLIVIA
ANTE LAS NACIONES UNIDAS**

211 E. 43RD ST. - SUITE 802
NEW YORK, N.Y. 10017

STATEMENT OF HIS EXCELLENCY

CARLOS D. MESA GISBERT

PRESIDENT OF THE REPUBLIC OF BOLIVIA

59TH REGULAR PERIOD OF SESSIONS

OF THE GENERAL ASSEMBLY

OF THE UNITED NATIONS

GENERAL DEBATE

New York, September 22, 2004

Mr. President of the General Assembly, Presidents, Heads of Government, delegates:

On behalf of Bolivia I want to express a concern, a concern which is global. The question of terrorism. A world which is haunted by terrorism is an insecure world, a world whose prospects are threatened. Bolivia believes that the fight against terrorism is one of the most important tasks that we need to confront together.

The occurrences in Beslan in the Russian Federation show how far it is possible to go in brutal actions that do not have the slightest sense of humanism.

The fight against terrorism must also be related to the fight against other scourges that are of concern to us all. In this context, Bolivia expresses its firmest commitment to the fight against drug trafficking, which is being conducted in Bolivia through the eradication of coca and also, through what has been a tradition of consumption in the country that needs to be dealt with.

This work could not be done without the presence and the support of the international community and in the context of shared responsibility.

Shared responsibility presupposes that action needs to be taken at both sides of the point- both sides of production. Shared responsibility means that the social issues and the economic issues need to be considered when the problem is tackled.

Bolivia has developed the idea of alternative development and that is something that we want to turn into comprehensive development today. In other words the participation of the community of the villages where coca is produced in Bolivia, should be part of the decision-making process and of the design of strategies so that there are reasonable economic options to farmers for their products and to reduce expenditures in the eradication of coca and in particular in the process of finding alternative ways that are viable for the Bolivian economy.

We believe that the fight against scourges that have been afflicting humankind recently, could not be fought without multilateralism.

We firmly believe in multilateralism and we strongly support the United Nations as the scenario of that multilateralism, and we are convinced that the time has come to produce a series of reforms in the organization - comprehensive reforms.

This means a broadening of the Security Council. Not only that, but it does mean a broadening of the Security Council at a time when a new stage in history is beginning because the challenges are different and the responses therefore

must also be different.

In this context we are convinced that another of the aspects that we need to review thoroughly is the paradigm of global development, a paradigm of development which is not sustainable over time, and which will not make it possible for there to be long-term responses, but will rather generate complex problems that cannot be resolved.

We need an openness of mind, a flexibility to respond to the basic parameters in which the world economy functions today, without demagogic responses or utopian solutions. On the contrary, what we need to do is to reflect on subjects such as hunger, poverty, exclusion that afflict millions of human beings on earth.

This is a good opportunity to recall that Bolivia, during the past year, has experienced a particularly difficult situation - a social, political, and economic crisis that, in October of 2003, placed our nation on the brink of confrontation with unforeseeable consequences.

A crisis which threatened all of our institutions but that particularly, threatened our democratic system. The Bolivian answer to that crisis was given peacefully, with respect for democracy, through a mechanism of constitutional succession that made it possible for me, as Vice-president, to take office as President, to assume the challenges of the country that were enormous at that time in order to restore order and peace and the prospects and hopes of our society.

Why is it that this crisis occurred in Bolivia? It is because of an accumulation of historic bills that at some point had to be paid for by our society: exclusion, a process of discrimination, a vision of Bolivian society with high levels of racism and a truly dreadful poverty.

The efforts of the country on the basis of a liberal economic model and on the basis of a model of structural adjustment had areas of light and shadow, positive results that allowed for macroeconomic stability but that had poor results in the social sphere where different responses are needed.

In October, all of those historical bills accumulated and led to social upheaval and we needed to respond not just at that time. I think we were successful in that response, because our democracy has been maintained, peace has been maintained, but overall, we needed to respond in a forward-looking way.

What are the major challenges facing Bolivia today? In its geographic context and its political context and historical context. First of all, it has to resolve its own conflict between the society and the State, and it needs to resolve the challenges of its own economic growth.

One of the crucial issues in the country was the definition of an energy policy, after we saw that our nation had enormous reserves of natural gas in the South American Continent.

We chose a path which was attractive though difficult and which showed our wish for participatory democracy in the framework of our society. What we chose was a binding referendum in which the people of Bolivia could themselves decide what they wanted to do with their most important natural resources.

The referendum showed the will to participate, the will to define our own destiny. It took place on the 18th of July and it was successful. It took place in a framework of peace, of democratic participation, and of giving clear responses, making it possible for our government to move forward with a policy of gas and hydrocarbons regarding export relationship with investments and with investment companies which is appropriate for our nation.

In a forum such as this, I want to say that we believe in a constructive, mutually beneficial relationship between those who invest privately – (that is to say), private investment in Bolivia - but also those who represent the State in that relationship.

We must not go back to the old system of State capitalism of the fifties and the sixties, nor can we continue with the inflexible orthodoxy of a liberal vision.

The answer today is a possible combination between the market and the State. There is a combination that must be made viable without any exclusions, without putting at risk the fundamental concept in which we believe, which is the rule of law and the guarantee of legal security.

This is the path on which we have embarked in order to adopt a new law for hydrocarbons. In the coming months what Bolivia must do is to reach a new social covenant. The relationship between society and the State has been threatened and it was clear that the concept of democratic participation needed to be translated into this social covenant through a constituent Assembly freely, elected to define the horizon of the country that we want to build in the immediate future.

Because of the nature of my Government, without a political party and without an organized presence in that context, we are going to approach a Constituent Assembly which is really pluralistic and in which the drafting of a Constitution will respond to our basic beliefs, put an end to exclusion, put an end to discrimination. In a country in which the majority is indigenous Quechua, Aymara or Guarani, that majority must be able to express itself and define in a democratic context, in the context of different visions an approach to the nation which is viable.

I also want to say that we have achieved something very important following the crisis, and it relates to the recovery of peace. With action of transparency, honesty and austerity that Bolivia needed urgently, and that does not mean that the task is done.

The fight against corruption will always be a challenge in our country as it is elsewhere in the world. But I believe that we have displayed a clear commitment which has made it possible for us to gain credibility and legitimacy in the framework of our society.

Transparency, honesty, austerity, these are all vital elements in a poor nation which needs to administer appropriately and efficiently the meager resources that it has and it is in this context that I want here, in the United Nations to thank the international community which has constantly been in support of Bolivia in its crisis and in these months which has helped us to conduct consistent macroeconomic policy to resolve issues such as a large fiscal deficit.

I would like to mention that because of our geographical location in the center of the Subcontinent, Bolivia must be part of a process of integration which is moving forward quickly, a process of integration that has two major protagonists, the Andean Community of Nations, of which we are a part, and MERCOSUR of which we are also Associated Members.

At the beginning we were a "Hinge Country" but now we are in the process of integration moving toward a large South American block of nations which we welcome and for which we are working.

In that context of articulation and integration, Bolivia has a key place in any process of infrastructure development. In energy, Bolivia is a country that can be a key point for energy distribution in South America. In fiber optics, in telecommunications, in highways. We are vital and must help and not obstruct.

There is a thought that I would like to express to the multilateral organizations such as the World Bank, the International Monetary Fund and other organizations that are cooperating with Bolivia and with other developing countries.

Bolivia because of its revenues, because of its high debt has been considered a HIPC country and in theory, that fact has given it a series of advantages for debt servicing and above all, for directing that debt servicing toward social services, but paradoxically, this has limited the country's capacity to obtain non-concessional loans to make it possible for us to carry forward infrastructure projects that are not only of interest to Bolivia but also of interest to all the countries of the region.

We must begin to work differently in our view. In international organizations and how these loans are interpreted to make them more flexible and not to produce the paradox in which an advantage becomes a "dogal" that makes development impossible. We hope that this new approach will be understood by the international community and in particular by the multilateral organizations.

Lastly, I want to mention a subject on which we will always place emphasis in our statements before the world community. Bolivia's status as a landlocked country is a factor that has curbed our development.

Bolivia was born as an independent country with a coast on the Pacific Ocean and today we demand free useful sovereign access to the Pacific Ocean. This is a demand that has moral grounds and legal grounds and historic grounds. It relates to the high economic cost that has made our development difficult throughout our history. We make this demand and I want to emphasize this, on a logic of construction, a logic of integration.

Chile and Bolivia are countries that complement each other. We're countries that have a destiny of shared development and integration. To avoid a solution to the subject of Bolivia is to avoid the possibility of development and that of integration. It's to make it impossible for that to become a reality.

We are prepared to have an open dialogue to find an appropriate solution, a definitive solution to the problem.

Today, more than ever before, that is true because South American integration is so close at hand and because Bolivia's Maritime Problem has become an obstruction on the path to that integration.

We are expressing a rational constructive will, a will for integration. It is a demand that will not change, it is a demand with a profound content for all the reasons I have put forward.

May I conclude by stating here, before the nations of the world, that our country is a country of peace that believes in disarmament and that believes that we need to reflect and change many of the paradigms which, in the course of time, have made certain positions rigid and have limited a mental openness that today, more than ever before we need in the twenty-first century if we are to move into the future.

Thank you.