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Statement of H.E. Mr. Harri Holkeri,
President of the 55th Session of the General Assembly,
at the Parliament of the Kingdom of Lesotho
"Poverty Eradication - Attaining the Development Targets
of the Millennium Declaration in Least Developed Countries"

It is a great honour for me to address the Parliament of the Kingdom of Lesotho. As a former parliamentarian, I have great respect for and confidence in the parliamentary system. One of the key themes of my Presidency has been development, in particular that of the least developed countries. For this reason, the visit to Lesotho holds special value and significance for me.

At the opening session of the Third United Nations Conference on the Least Developed Countries, last May in Brussels, I called on the international community to live up to the commitments made by our Heads of State and Government at the Millennium Summit. These Millennium commitments were reinforced at the LDC conference, reaffirming a number of development goals of the international community for development in LDCs and Africa.

Among the results of the LDC conference - perhaps even the most crucial outcome - was the political will, commitment and ownership expressed by LDCs to define their development issues and strategies themselves, as well as to engage in dialogue and cooperation with their development partners on an equal basis. The LDCs also emphasized people-centred development and a need to establish national forums to facilitate cooperation among all national actors, from governmental departments to civil society, including non-governmental organizations and the private sector. These principles are necessary to find the right combination of development strategies, which varies from one society to another. In this regard, parliaments have an important role in discussing the best means to implement the Programme of Action for LDCs adopted in Brussels.

One of the most important Millennium targets is to halve the proportion of the people living in extreme poverty - on less than one dollar a day - by the year 2015.
The LDC conference was one of the landmarks illustrating 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. Although globalization remains a potential engine of economic growth and development, we have now learned that market access and investments as such do not necessarily benefit the LDCs. The multidimensional nature of

development requires a focus on human capital in order to bring profits and investments back to LDCs.

To tackle poverty, we need to understand that it is not only about low levels of income, but that it often correlates with other indicators, such as early mortality, disease, illiteracy, unemployment, and inadequate access to health care and education. Furthermore, to succeed poverty eradication needs to combine good governance, including rule of law and accountability in the management of public affairs.

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 and systemic imbalances.

The United Nations has consistently emphasized the importance of these other dimensions of poverty. Poverty is also a denial of human rights. 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.

Some have argued that the Millennium targets are over-ambitious, even unrealistic, as we continue the discussion on how to attain those targets. Earlier this summer, the United Nations Development Programme launched its annual Human Development Report. According to the report, reaching the Millennium goals of universal primary education and gender equality in education is well under way in many countries. Statistics also prove that poverty rates are declining fast enough in some countries with big populations to meet the poverty goal by the year 2015. But much more needs to be done. The Millennium targets present a major policy challenge for both developed and developing countries. The majority of developing countries are still in the process of establishing those national policies that would lead to attaining the Millennium targets.

However, in this address today, I would like to affirm my confidence that the Millennium goals are realistic and within our range through partnerships and cooperation. The global community has massive human, technical, technological, and financial resources. Our awareness of required policies is more advanced than ever. The digital revolution has brought us new tools and will make fundamental changes in communications and information industries. The UN is embracing these developments - in this regard the active participation of Lesotho has been very important. Perhaps most of all, we have the strong political will and commitment, as was demonstrated at the Millennium Summit and the LDC Conference.

Substantial policy change is therefore 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. At the same time, gender-sensitive policies are necessary, as poverty often affects more women and girls.

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.

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 is there to 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-centred sustainable development. In this respect parliamentarians play an important role and have a special responsibility to show leadership.