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Summary conclusions by Ambassador F. Paolo Fulci, Permanent Representative of Italy to the United Nations and Vice-President of the Economic and Social Council, at the special high-level meeting of the Council with the Bretton Woods institutions (New York, 18 April 1998)

1. Before trying to summarize the many innovative ideas that have emerged from this meeting, let me repeat how delighted we at the Economic and Social Council are that so many ministers and high-level officers participated in this meeting.

2. Its success is testimony to the tenacious efforts of those who have worked for months to make it possible – first and foremost, the Secretary-General, Mr. Kofi Annan, the wizard of peace, as he was called by an Italian newspaper, whose invitation attracted so many distinguished guests.

3. Next, the President of the Council, Ambassador Juan Somavía, who though unable to be with us today, conceived and followed every step in the preparations for this important encounter. May I also express my most sincere gratitude to the other members of the Bureau: Ambassador Anwarul Chowdhury of Bangladesh, Ambassador Roble Olhaye of Djibouti and Ambassador Alyaksandr Sychou of Belarus, as well as Mr. Nitin Desai, Under-Secretary-General for Economic and Social Affairs. I would like also to especially thank the members of the Council secretariat, the interpreters and support staff for making this meeting possible. They deserve commendation for their hard work on this project.

4. One theme running through today's dialogue has been the recognition that globalization has changed the world and that the world must respond. Within this broad framework, our discussions this morning have been driven to a large extent by the repercussions of the so-called Asian crisis. I say "so-called" because it is agreed that we live in an increasingly integrated world and that turmoil anywhere poses risks to all countries around the globe. Nobody, but nobody, can ensure his or her safety from its spillover effects. There is universal recognition that global financial integration is not an option – it is a historical shift. Global financial integration offers great opportunities but also great challenges; it offers benefits but it also poses great risks.

5. The Asian crisis has resulted in great attention being given to the sharing of risks and benefits in times of financial turmoil. The question of financial burden-sharing in times of crisis is a complicated and technical issue which will have to be addressed in other forums. However, our discussions have also highlighted the need for a sharing of benefits and risks over the longer term. Several speakers have reminded us of the contribution – that is to say, the benefits – of global financial integration to Asia's overall economic success and to the reduction in poverty over the past few decades; but

there are also long-term risks – the risk of marginalization, the risk that some countries or individuals may be left behind. There must be a sharing of these long-term benefits and risks. Global financial integration should be to the benefit of all countries and all peoples; and we must all work together to reduce the risks of marginalization. I believe that the discussions this morning have demonstrated, encouragingly, a growing consensus on the means to maximize such benefits so as to reduce these potential risks.

6. In the short term, there continue to be different points of view about the reasons for the recent crisis and the most appropriate ways of responding to it. Nevertheless, appreciation was expressed for the prompt response to the crisis by the international community, led by the International Monetary Fund (IMF) and the World Bank. At the same time, there was universal recognition that the initial financial crisis has developed wide-ranging economic and social dimensions. There was widespread and deep concern about the adverse consequences of financial crises for vulnerable groups and the profound consequences for poverty. There was unanimity that special efforts need to be made to protect the poor and other vulnerable groups in times of crisis. The alleviation of poverty must remain our ultimate objective, both in the long run and over the short term.

7. Our discussions this morning have demonstrated that all of us – international institutions and national Governments – still have much to learn about responding to the forces of global financial integration. While many questions remain, we agree that there is a need to strengthen the global architecture, that prevention is better than cure, and that actions are required at both the international and the national levels. The wide-ranging nature of the fallout from the crisis calls for a collective response involving all our institutions to varying degrees. A number of interesting and innovative ideas were presented, demonstrating that this meeting has provided an important opportunity to exchange views on the types of action that need to be taken by us, individually and collectively.

8. There seems to be universal agreement that more information, greater transparency and improved monitoring are indispensable in reducing the possibility of financial crises. I believe that this meeting has demonstrated, equally, the need to develop the flows of information and transparency between our institutions. There were many references to the need for policy coherence and partnership at all levels, but particularly between our institutions. There was a consensus that greater efforts need to be made to integrate the financial, economic, social and political policies and strategies.

9. The reason for the Economic and Social Council's originally being conceived by the fathers of the United Nations, the vision and motivation driving recent efforts to renew the economic and social sectors, and the inspiration behind today's meeting have all been focused on a single goal: to make this world a better place to live in for all the people of the planet by giving the developing countries, especially the least developed countries, a better chance to improve their well-being. We must continue to pool all our efforts to eradicate poverty and pave the way towards a future of sustainable development. Development must remain the top priority of the United Nations.