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**PRESIDENT OF THE REPUBLIC OF FINLAND TARJA HALONEN:
"TOWARD A FAIR GLOBALIZATION: A FINNISH PERSPECTIVE"**

**U THANT DISTINGUISHED LECTURE AT THE UNITED NATIONS UNIVERSITY
IN TOKYO OCTOBER 22, 2004**

It is a great honour and pleasure for me to give the U Thant Distinguished Lecture here at the United Nations University and celebrate at the same time the United Nations Day.

I would like to thank the United Nations University for the excellent work you have done throughout the years. Your contribution to resolve global problems is highly valued.

I also would like to thank the Government of Japan for its active participation in the multilateral co-operation and for its generous contribution for the United Nations University.

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There is a growing understanding of the deep interdependence of security, development, social justice and environmental sustainability.

This has been displayed in several recent political commitments within the United Nations: the Millennium Declaration, the Monterrey Consensus on Financing for Development and the Johannesburg Declaration on Sustainable Development. In addition commitments have been made also in other international fora.

These are historical global commitments. I even said in this year's general debate at the United Nations that the Millennium Declaration is by far the most comprehensive and farsighted political commitment ever agreed upon by the United Nations.

We now need to turn these commitments into reality, in the spirit of solidarity and within the frames of limited resources of the world.

In the Millennium Declaration we challenge ourselves to ensure that globalization becomes a positive force for all the world's people. Globalization offers great opportunities, but at present its benefits are very unevenly shared and its costs are unevenly distributed. Far too few are benefiting from globalization and far too many are suffering or are totally excluded from globalization.

This challenge has been the guiding beacon in the work of the World Commission on the Social Dimension of Globalization, which was established by the International Labour Organization two and half years ago.

I had the honour to co-chair this World Commission with Tanzanian President Benjamin Mkapa. The members of the commission were selected to represent different parts of the world with different kinds of experiences of globalization. We had civil society activists, corporate

leaders, labour union representatives, employers, academics, two sitting presidents and so on. From Japan we had Taizo Nishimuro of the Toshiba Corporation. I would like to thank Mr. Nishimuro – or Taizo as we called each other by first names – for his most valuable contribution to the work of the World Commission.

The World Commission held several regional and national dialogues or consultations around the world. I had, for example, a special pleasure to take part in the Asian regional dialogue in Bangkok in December 2002 and the Chinese national dialogue in Beijing in November 2002. We also consulted leaders of International Organisations and got a lot of good advice and information from the World Bank, International Monetary Fund and the World Trade Organization.

Our Commission has been called - for a good reason – a commission of “not like-minded people.” Despite differences in backgrounds and views we could agree on a joint report “A Fair Globalization; Creating Opportunities for All”, which was published last February. All in all the report has been well received all over the world.

The report is about change. A change towards genuine dialogue. A change for a better future. A change for a fair globalization. To this end our commission calls for:

A focus on people. The cornerstone of a fairer globalization lies in meeting the demands of people. It is remarkable how often people’s needs and well-being are forgotten when discussing globalization. The emphasis has been on economic liberalisation, market access and macroeconomic policies, which are - no doubt - important issues. However, these are not ends in themselves, but means for improving people’s lives.

We call for a democratic and effective state. The nation-state is still the main actor in globalization. A nation state should provide an encouraging environment for the self-fulfilment of its people, starting with democracy, respect for human rights and the rule of law, social justice, the rooting out of corruption and maintaining sustainable economic growth.

At the same time nation-states are the main actors on the international scene. Their commitment to multilateralism and universal values and their sensitivity to the cross-border impact of their policies are vital for the quality of globalization and global governance.

We call for sustainable development. “Development that meets the needs of the present without compromising the ability of future generations to meet their own needs” as defined by the The World Commission on Environment and Development (the Brundtland Commission).

Development is essential to satisfy human needs and improve the quality of human life. At the same time, development must be based on an efficient and environmentally responsible use of all of society's scarce resources - natural, human, and economic. In order to achieve this we need interdependent and mutually reinforcing pillars of economic and social development as well as environmental protection on all levels from local communities to global governance.

We call for fair international rules. The rules of the global economy must offer equitable opportunities and access for all countries and recognise the diversity in national capabilities and developmental needs. Seemingly equal rules do not provide for equal outcomes when the actors are on different levels of development.

This is especially true concerning the rules of international trade. The trade agenda has for decades been determined by the industrialised countries, which by their sheer negotiating power, have also dictated the outcomes of negotiations. The Cancun setback last year was a good reminder that this does not work anymore.

I sincerely hope that the Doha Development Round will live up to its promise and provide for a more equitable international trade regime. A trade regime that is sensitive to the needs and interests of developing countries.

Fair rules for trade and capital flows need to be complemented by fair rules for the cross-border movement of people. All countries stand to benefit from an orderly and managed process of international migration that can enhance global productivity and eliminate exploitative practices.

We call for decent work for all to be made a global goal and be pursued through coherent policies within the multilateral system. Better employment is essential both in developing and industrialised countries, and the desire for work unites people in the North and in the South.

We call for a development agenda. There is a shared responsibility to assist the majority of countries and people to be able to enjoy the benefits of globalization. The industrialised countries need to fulfil the promise of raising development aid to 0.7% of GDP as promised over thirty years ago. At the same time we need to give open-minded consideration to new and innovative proposals for additional development funding, including international taxation.

We call for closer partnerships. Many actors are engaged in realising global social and economic goals – international organisations, governments and parliaments, business, labour, the civil society and many others. The dialogue and partnership between these is an essential democratic instrument for the creation of a better world.

And we call for a stronger and more efficient multilateral system. Multilateralism is the key instrument for creating a democratic, legitimate and coherent framework for globalization.

We urgently need improved co-operation and better policy coherence between international organisations. At the same time there is an urgent need to reform structures and procedures of international organisations.

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The World Trade Organisation, the International Monetary Fund and the World Bank are all important, but in the heart of the multilateral system is the United Nations.

The UN Secretary General Kofi Annan established a year ago a high level panel to examine the major threats and challenges facing the world in the broad field of peace and security. The panel is tasked to make recommendations for the elements of a collective response. Finland strongly supports the Secretary General initiative. We have high expectations for the high level panel's work.

It is time to expand the membership of the Security Council to better reflect today's realities and represent the membership of the UN. This would also serve to strengthen the legitimacy of the Security Council in the eyes of general public. Finland believes that there should be more permanent as well as non-permanent seats in the Security Council.

Concerning possible new permanent members in the Security Council, we support the membership bids by Japan and Germany. We also think that Africa, Latin America and Asia should have a permanent seat in the Security Council. At the same time we are hesitant whether these new permanent members should have a veto on decision-making.

In order for the Security Council to work efficiently its procedures need to be renewed as well. The members of the Security Council, especially the permanent members, also need to live up to their task of being responsible for international peace and security.

The authority of the General Assembly requires improvement. We therefore need to streamline the procedures and to avoid overlaps in the General Assembly and its committees.

Due to my globalization activities, I have paid particular attention to the co-ordinating role of the Economic and Social Council. Decisions of the ECOSOC would need to be implemented more broadly throughout the whole UN system. The ECOSOC should really take the role envisaged in the UN Charter.

In this context I would also like to mention the work of the so-called Cardoso report. This report makes recommendations for improved civil society participation. We should proceed with the implementation of these recommendations

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It is important that a process follows a report. Therefore members of our commission have been actively promoting the report and its recommendations. That is actually what I am doing here right now.

There is already a good process going on in the ILO, the home of our Commission. Another main venue for action is the United Nations, where Finland and Tanzania organised a month ago a special event on the work of the World Commission. We have also presented a draft resolution for the 59th General Assembly, linking the report to the implementation of the Millennium Declaration.

Similar work is underway in other international organisations, including the Bretton Woods Institutions. On the regional level good progress has taken place in the African Union and the European Union.

An important venue to continue the work of the World Commission is the Helsinki Process on Globalisation and Democracy. The Helsinki Process is in search of novel and empowering solutions to the dilemmas of global governance and offers a forum for open and inclusive dialogue between major stakeholders.

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I have spoken for a long time. Thank you for your interest and patience.

I would like to conclude by thanking Professor Hans van Ginkel, Rector of the United Nations University and the whole staff of this great institution for your valuable work. I would also like to thank you for inviting me to speak here in front of such a splendid audience.