

Statement by
H.E. Dr. Surakiart Sathirathai
Deputy Prime Minister of Thailand
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Mr. Chairman,
Honourable Heads of State and Government,
Honourable Ministers,
Distinguished Delegates,
Ladies and Gentlemen,

At the outset, I wish to join others in expressing my sincere appreciation to His Highness the Emir and the State of Qatar for hosting this historic gathering of Heads of State and Government of the members of the Group of 77 and China. This Second South Summit is another unique opportunity for us to review our progress since Havana, see where we stand and adjust our course accordingly to move us closer towards our development goals.

Mr. Chairman,

Forty years after its inception, the Group of 77 has become the largest grouping of developing countries, and a major forum to provide ideas and initiatives as well as contributions to development and the functioning of the United Nations. Throughout those years, we have witnessed constant changes in the challenges facing the developing world. The First South Summit in Havana set out to define and redefine those challenges and guide our course of action in meeting them.

We have committed to strengthen our South-South cooperation as an integral part of our strategy to achieve sustained economic growth. Yet, hopes and aspirations of hundreds and thousands of millions of our people remain to be fulfilled. Many of us are struggling to uplift the living standards of people in order to achieve the targets of the UN Millennium Development Goals. Many are in need of market access, debt relief, and demand driven aid. Our goals for poverty eradication and raising the livelihood of our people are still a long winding road that requires greater efforts, careful guidance and greater attention by all.

The G8's recent announcement of 100% debt relief for the 18 heavily indebted poor countries is a sign that the developed world is taking a more realistic approach to development. We all welcome this landmark initiative. But the expansion of debt relief to include all heavily indebted developing countries would be another major step forward. It would free up those countries' energies and resources for more productive pursuits in health, education, infrastructure and many new projects to shorten the path to

development. We applaud this G8 initiative even if it should have come a lot earlier. We hope that with the G8 and the EU commitment, we will see more from the rest of the developed world.

Mr. Chairman,

As our Group houses four-fifths of the world population, it is not the G8 or anyone else but us, all the developing countries, who owe it to our people and people around the world to craft a development strategy that recognizes and draws strength from the great diversity of ourselves. The ultimate responsibility for development rests squarely with us. We cannot expect others to help us without first helping ourselves. The G8 initiative is certainly welcome by all of us but we cannot be over-rejoiced or complacent. On the contrary, this initiative must encourage us to double and redouble our coherence, cooperation, and coordination both among ourselves and with key partners.

The emphasis should be on the three pillars of partnership for development and growth: namely, the South-South partnership, the North-South partnership and the public-private sector partnership. As a group we must not underestimate our inherent potentials. We must look within before we look out for outside partnership. We must bring in all sectors and all stake holders within our economies to share the responsibility and commitment for the benefits of all.

In this regard, I wish to share with you some of Thailand's perspectives in development.

First, the strengthening of the grassroots economy. Badly hit by the 1997 Asian financial crisis, my country has learned economic lessons the hard way. We now fully understand the real need to lay the firm foundation for our growth with the limited resources available. The export sector of the economy may be the champion in bringing income and foreign currencies. But the genuine backbone of the economy is our grassroots. We initiated and implemented with a high degree of success the dual track economic policy aiming at the growing of the export sector and the strengthening of the grassroots economy at the same time.

When we have limited amount of water, we simply must water our plant from the bottom not the top for the plant to grow. The water needs to go to the root. Likewise, with limited resources, we must use them wisely and directly for the grassroots economy to grow. The grassroots need access to resources and capital so that they can turn their indigenous skills and talents into productive outcome, thus generating employment and income. When the poor have more purchasing power, then producing sectors can expand their production. Access to capital can be achieved by micro-credit facilities that can be made available in various forms: revolving village funds, SME banks, people's banks, for instance. Once we made capital available, a TV or bicycle repair shop for example will create jobs and income, and a scheme like what we call the OTOP, which is a one village,

one product initiative scheme, was launched nationwide. This is a grand collaboration effort of the people in the village, our grassroots, the government, and the private sector.

The government made initial investment available, the villagers produce, the government and the private sector help with the ideas, promotion and marketing, thus income generated and initial investment paid back. With the help of private sector on IT technology and cyberspace marketing, more income is generated as villagers are computer literate. The success of this scheme saw the grassroots income grew from two hundred to one billion US dollars within three years after its introduction.

Secondly, the self-help and sufficiency economy. Inspired by His Majesty the King of Thailand's sufficiency economy theory, the Thai economy has learned to look after itself within its own means. When I was Foreign Minister, I have successfully organized a ministerial conference on sufficiency economy for some two dozens ministers and experts from Asia, Africa and Latin America last year. Participants had the opportunity at first hand to see with their own eyes how sufficiency economy was implemented. Thailand will continue to offer to all our friends in developing countries to come and share with us our experiences in this field.

Thirdly, management of globalization. Both the bright sides and the dark sides of globalization can have overwhelming impacts upon our economy and society. Since we cannot run away from them, we must learn to manage them. People are our precious resources. Management on their health, their education and capacity building are the best we can do to meet the challenges of globalization. We in Thailand have started many initiatives to better prepare our people for the negative and positive globalization impacts.

Fourthly, the prosper thy neighbours principle. As we regained our economic confidence and growth from the 1997 crisis, Thailand turns to our neighbours and sub-region and has taken the initiative to help them to prosper. Simply, Thailand has no wish to grow all alone. We have no desire to widen the development gap as we make economic success. Nor do we seek to gain advantage from our fast rate of growth at the expense of our neighbours. We believe in consolidated strength. We believe in prospering others while prospering ourselves. We believe that an economic cooperation strategy with our neighbours is vital to bridge our development gap to fulfill the aspiration for an economic community of our people in the 10 countries of the Association of Southeast Asian Nations or ASEAN.

Fifthly, the importance of partnership, building blocks and their linkages. We encourage both the South-South and North-South partnership. Thailand has fostered development partnership with a good number of developing countries. At the same time, we have concluded several partnership accords with developed partners to work with them in respective development programmes in other developing countries. We were among the first to report our achievement in MDG Goal 8 on partnership. We look at the creation of sub-regional blocks and regional blocks as necessary components of effective multilateral cooperation. We believe that developing countries can benefit from

cooperation and exchange of best practices both at the country-to-country level and block-to-block level. That was why Thailand has been instrumental in linking the cooperation between South and Southeast Asia and in fostering the first pan-Asia functional cooperation by the name of the Asia Cooperation Dialogue or ACD.

Last but not least is the role of the United Nations in development. As we are debating the UN reform, we must ensure that the reform is not all about just the Security Council enlargement. But it must primarily be all about accountability, transparency, efficiency, effectiveness and global good governance.

We must ensure that development remains and will always remain at the top of the UN agenda with better and more effective mechanism. We must ensure that the United Nations after reform will have more relevant to livelihood of any poor villager in Africa, Asia, the Pacific, the Caribbean and Latin America. We must ensure that the right balance between freedom from fear and freedom from want will be attained. We must ensure that regional and sub-regional building blocks will play a more constructive role in the effectiveness of the UN multilateral system. We must ensure that developing countries will play a greater role in rule-making and decision-making process in global financial and trade development issues.

But most important of all, as we enrich our reform debates and principles, we must not let them be so divisive that they inhibit faster progress in reaching the Millennium Development Goals and the development agenda.

Mr. Chairman,

Although I take pride in what Thailand has accomplished in development, I believe that there are many more among over 130 members of our Group of 77 and China who have made great achievements and are prepared to share our best practices. Let us work harder to improve our coherence, cooperation and coordination.

Asia, the Pacific, Africa, the Caribbean or Latin America, no matter which part of the world we are, we all have the same aspiration and responsibility. Our peoples deserve better living and our children deserve better future. We cannot let down our people and our children whether this generation or the next.

Let this Summit send a new message of hopes and actions. Let this Summit mark a new milestone for development. And let this Summit illustrate to people in the South as much as in the North that only when we work together can we turn this earth the better place to live in.

Thank you for your attention.