

SPEECH BY

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**“GLOBAL GOVERNANCE IN THE TWENTY-FIRST CENTURY:
EMERGING ISSUES AND CHALLENGES”**

His Excellency Eng. John Kijazi,

High Commissioner of Tanzania to India, representing the President of
Asian-African Legal Consultative Organization;

Excellencies, Ministers and High Commissioners;

His Excellency Prof. Dr. Rahmat Mohamad,

Secretary-General, Asian-African Legal Consultative Organization;

Excellencies, Ladies and gentlemen.

1. I am honored to be invited by the Asian-African Legal Consultative Organization (AALCO) to address this distinguished audience. My topic, ***“Global Governance in the Twenty-First Century: Issues and Challenges”*** is most appropriate to this audience of government officials, members of the diplomatic corps and academic community in New Delhi.

2. In light of rapid economic growth and pervasive social change in our societies today, challenges are apparent in addressing and managing economic and social transformation as well as meeting people's expectations of people. It is insufficient today to acknowledge and know what the challenges are, but to have in place policies and mechanisms to meet those challenges and fulfill legitimate expectations.

3. It is often said, to the point of cliché, in the age of globalization our world has become increasingly interconnected and interdependent, particularly more so with rapidly developing modes and development in the realm of information and communication technology. Events happening in a region, and knowledge about it, for example, a flood deluging and spoiling agriculture land, or a financial institution facing liquidity problems can and do affect other regions economically and socially.

4. So too, when home owners cannot service their mortgage, it triggers financial crisis not only in their country, but across the world. When a factory closes down its operation, it stymies the creation of jobs and global markets. When millions of people are jobless, it can feed the despair that leads to instability and violence around the world.

5. Suffice to say that accelerating globalization has created cross-border and global problems that could not be easily solved by individual nation states. International financial crisis, equitable international trade regime, global climate change, epidemic and pandemic diseases, and the fight

against transnational terrorism have increasingly become the objects of global policy processes.

6. The issue before us now is how to establish an effective system of global governance that regulates interactions which lie beyond the province of individual nation states. Our main concern is to maintain peace, prosperity and stability within the global system, amidst the emergence of new issues and challenges seen as potentially threatening.

7. Today, the notion of global governance appears to be virtually anything. From calls for a more powerful international legal system to civil society campaigns on environmental issues, almost any process or structure of politics beyond the state has been regarded as part of the general idea of global governance.

8. Indeed, global governance is a concept that is very wide in its scope and is often subject to rigorous academic discourse. However, for the purpose of my talk today, I would like to confine it to the economic, environmental and political dimensions of global governance.

Global Economic Governance

9. On the economic front, the existing multilateral system that has made important contributions to the unprecedented progress and economic growth since the end of the Second World War is now facing new challenges. Governments which focus on enabling domestic policies and infrastructure for economic development have succeeded in alleviating poverty and

creating opportunities for prosperity in many countries. This approach has transformed India and China tremendously in the last decade into acclaimed global economic powerhouses.

10. Whilst statistics show impressive gains in Gross Domestic Product, Gross National Product and other parameters of economic measurements, that alone is not enough. National and international development is to be broad-based where no group and region is marginalized from the stream of development. The miracle of economic growth must work not just for developed and emerging economies, but for all economies.

11. To achieve an accessible and equitable development, not only is national governance imperative, but an effective system of global economic governance that promotes sustainable growth, lasting development and equitable global trade is to be in place. This system must have the capacity and capability to manage growth and changes effectively and in a timely manner.

12. I believe the United Nations, its agencies and sister organisations, by virtue of its inclusiveness, legitimacy and mandate as the world's premier international organisation, is in the best and most credible position to assume a central role to promote equitable growth and sustainable development for all countries. This is very much in line with the Charter of the United Nations that specifies the role of the UN as a world body working primarily to achieve "international cooperation in solving international problems of an economic, social, cultural or humanitarian character".

13. As the Bretton Woods Institutions are also part of the United Nations system, and while the Bretton Woods institutions do have a consultative relations with the United Nations, it was and is a relationship that has become seemingly consultative at best. In light of the clarion call for comprehensive reform of the international economic and financial architecture, there is an urgent need to review the relationship between the United Nations and the Bretton Woods Institutions, namely the International Monetary Fund and the World Bank.

14. The United Nations need to focus more attention to strengthening the development mandates and effectiveness of both Bretton Woods institutions. It is important that financial objectives pursued by the Bretton Woods institutions do not conflict with broader objectives of development such as promoting economic growth and creating decent work for all as deemed necessary by countries.

15. Apart from the Bretton Woods institutions, the World Trade Organization (WTO) too plays an important role in global economic governance. As the governing body of multilateral trade system, WTO provides clear rules for meaningful participation of member countries in international trade. As such, WTO remains relevant to today's economic climate and in this regard Malaysia believes that the Doha Round must return to its original objective of ensuring free, fair and equitable trade.

16. More importantly, there must be a singularity of purpose in the policies of these international organizations. It is incumbent upon these organizations to ensure that their policies meet the requirements for the

successful expansion of the system of multilateral free trade and an equitable distribution of its benefits to both developed and developing economies. It is in this context that the coordinating role of the United Nations must be strengthened in order to secure greater coherence of the global economic system.

17. Apart from this, there is an urgent need for a mechanism where the voices of medium and smaller countries are heard in international fora on global financial and economic issues. There have been legitimate concerns among these countries that in the face of global economic challenge, their collective interests is not and will not be adequately represented by groupings of larger countries in the international system. While the key role played by G-20 countries in addressing and setting the global economic agenda in the midst of recent financial crisis is pertinent and acknowledged, small and medium sized economies and countries need to organise to ensure their concerns and interests are heard by way of an agreed consultative process and mechanism with the G-20.

18. I believe the formation of Global Governance Group (3G) consisting of 28 countries, of which Malaysia is a member, will enhance the role of small and medium countries in setting the global economic agenda alongside the advanced economies. Working together, they will be able to make their views better heard by larger countries and express their collective concerns more effectively on the world stage. What we hope to achieve through this important initiative is a global economic system which is more equitable, inclusive and transparent.

Global Environmental Governance

19. While focusing our effort on generating growth through development, let us bear in mind that our development model must be sustainable. The key word is as usual always been sustainable. In this particular context, amidst the challenge of global climate change, environmental management has emerged as an important field of global governance. The phenomenal economic development that the world has been witnessing since the past few decades has exerted enormous stress on nature and the environment. Change in earth's climate and its adverse effects are a common concern of humankind that requires swift global response. As is apparent, drought or flood in one region not only has a bearing on the affected country, but also on the economies of other countries with resulting changes in prices of commodities.

20. In meeting this momentous challenge, environmental diplomacy is certainly an important means by which countries strike a balance between development, of course sustainable development, and the environment. A synergy of concerted efforts between developed and developing countries is central to meeting this objective. Developed countries must remain committed to and lead by example in reducing green house gas emission. Developed countries should also remain committed to provide financial and technical assistance to developing countries to assist them integrate the process of mitigation and adaptation to climate change into development projects.

21. Central to the issue of effective mitigation efforts in developing countries is the creation of the new Green Climate Fund as a result of the UN Climate Talks in December 2010. This fund is critical in ensuring sustainable financing, capacity enhancement and technology transfer in developing countries. Our next course of action is to ensure that this Fund can deliver adequate and predictable resources in a timely manner. This is imperative because combating climate change is the need of the hour and speedy and equitable disbursement of the fund is of pivotal importance.

Global Political Governance: Toward Global Peace, Stability and Security

22. The most important and yet often overlooked dimension of global governance is politics. This is perhaps due to the fact that politics, or more specifically national politics, is normally assumed as a matter which is strictly confined within the province of individual sovereign states. But the rising tide of globalization poses serious question to the absolute validity of this assumption. As the global community is now increasingly interconnected and interdependent, political instability in one country more often than not has economic, social and security consequences in many other countries.

23. I believe that addressing the root cause of political instability in individual nation states is the panacea for global insecurity. The root cause may vary. It can be economic inequality, social conflict, religious sectarianism, bureaucratic inertia, lack of just rule of law and administration of justice as well as authoritarianism. They are all illustrations of deep-rooted crisis of national and global governance.

24. This problem can be properly addressed if people are fully assured of their equitable share in economic development; if they are assured of getting their civil rights protected; if they are assured of the liberty to profess and practice their religion in peace and harmony; if they are assured that justice is not only seen to be done, but must be done. In a nutshell, global peace, stability and security is only achievable when every people in every nation enjoys the fruits of economic prosperity, political stability and religious harmony.

Conclusion

Ladies and gentlemen,

25. If global governance requires collective capacity to identify and solve emerging problems on global scale, then it is essential to develop such capacity. Moving away from the rigid nation state system, an effective system of global governance ought to be developed in a way that is genuinely global. It must encompass the values and ethics of all religions and regions and be truly reflective of universal humanistic values in which the core concern should be the empowerment of the people.

26. In a nutshell, the paradigm of global governance ought to be people centric rather than state centric. In Malaysia, we introduce “People First, Performance Now” as an overarching national statement that guides national policies and programs. We believe that for democracy and good governance to sustain, public policies must be geared toward meeting legitimate needs

and expectations of our people. Similarly, for democratic and effective global governance to sustain, the policies of international organizations must be formulated on the basis of promoting legitimate needs and expectations of peoples across the globe.

27. On a final note, to realize an effective framework of global governance that is responsive and able to monitor, address and manage economic and social transformation that is equitable, all related national and international agencies need to work in synergy with the global social movement and other transnational actors to establish conditions that ensure justice, protect the environment and promote social progress.

28. Only with sustained collaboration towards equitable and sustainable development for people within countries and among nations, there will be justice, security and peace.

Thank you.