

## Argentina's Kirchner Calls at UN for 'New Financial Architecture'

*Following are excerpts from the Sept. 21, 2006 speech given by Argentine President Néstor Kirchner before the United Nations General Assembly, New York. In his speech, President Kirchner insists that the International Monetary Fund and similar institutions have failed in promoting development, and "in many cases, with their conditionalities, have acted in a contrary sense, preventing development." He says that what is now required is "a reform of the international financial architecture" and new financial instruments, to guarantee development for all nations.*

*Kirchner also denounced the Bush Administration's so-called war on terror, by insisting that international humanitarian law must be respected, and that economic development of the poor nations of the world is a far more effective weapon in fighting terrorism than the unilateral use of brute force.*

Five years after the attacks that touched [the United States] and the world, we want to firmly condemn the grave threat of global terrorism. Argentina believes that all acts of terrorism are criminal and unjustifiable, and accepts no argument that tries to justify such a methodology. . . . We believe that to successfully confront this criminal threat, we must carry out multilateral action sustained over time, and respond with legitimacy. . . . If in confronting global terrorism, we resort to global violation of human rights, the only victor in that fight will be terrorism. . . .

Progress will only be made if it is located in respect for local laws and the norms of international conventions, without allowing any complicating factors to serve as an excuse to combat terrorism by illegal means.

Peace is built and protected with an understanding of the true concept of solidarity among nations, from a standpoint that is far broader than the purely military or predominantly unilateral one. All nations, large and small, will lie exposed to tremendous vulnerability, if it is not understood that anti-



*President Néstor Kirchner*

terrorist action requires a multilateral, intelligent action sustained in time and strongly based on legitimacy, respect for essential rights, proportionality in response and backed by international public opinion. . . .

The world will only achieve peace to the extent that it promotes equality and fights to eradicate poverty and exclusion. This is as valid for the global system as it is for each individual country. Argentina supports the building of more just, more equitable societies, with a better system for distributing the benefits of economic growth. We also believe that each nation has the right to seek its own model of development, without foreign conditionalities.

We not only aspire to generate sustained development, but we also want this to reach everyone. There must be harmonious growth translated into balanced income distribution, because we know that development for a few, rather than for a country as a whole, simply doesn't work. . . .

The economic situation in the [Argentine] Republic is very different from what it was when we began our administration. . . . Uninterrupted high rates of growth at between 8-9%; growing participation of investment in the GNP; record local rates of savings; resurrection of local industry; a fiscal surplus at historic levels; unimpeded access of our industrial exports to the world; systematic reduction of the domestic and foreign public debt; preventive accumulation of reserves; less foreign exposure; strong reduction of unemployment; strengthening of wage-earners' and retirees' incomes; an important decline in poverty. . . .

### 'The World Has Changed'

I am forced to emphasize that these achievements have not been supported by the International Monetary Fund, which has denied us any assistance, and—I feel compelled to say this—in many cases, we have achieved this progress by ignoring, if not completely opposing, its recommendations and conditionalities.

There is sufficient empirical evidence to demonstrate that the participation of the international financial organizations in the promotion of development of poorer nations has not been successful, and in many cases, with their conditionalities, they have acted in a contrary sense, preventing development.

The world has changed, but these organizations have not. With their ill-conceived intervention, they insist on jeopardizing progress. That is why, together with the majority of countries, we support the reform of the international financial architecture, such that it will lead to the progress of the poorest nations. In noting the scant willingness of these international financial organizations to produce a real change in their policies, we deem it necessary to make this change, and to consider the creation of new international financial instruments that will permit the building of development projects to combat poverty and hunger in the world and to provide real options for advancement.