



2009 Trade and Development Report Launched at ESCWA



ESCWA and the UN Information Centre in Beirut (UNIC-Beirut) launched at a press conference held this week the Trade and Development Report 2009 (TDR 2009), which is released every year by the UN Conference on Trade and Development (UNCTAD). Speaking at the conference were UNIC-Beirut Director Bahaa Elkoussy, Chief of the ESCWA Economic Development and Globalization Division Nabil Safwat, and Economist at the Jordan University Ibrahim Saif.

Elkoussy introduced the report, saying it focuses on the main challenges that all developing countries and countries with economies in transition face in the areas of trade and development and in the interrelated issues of finance, investment, technology and sustainable development. It also pays special attention to the Least Developed

Countries (LDCs), taking into account the needs, priorities and experiences of developing countries, as well as their different levels of development. He noted that this year's report is subtitled "Responding to the Global Crisis" and "Climate Change Mitigation and Development".

The report analyzes global economic prospects within the framework of the current economic and financial crisis. It also heeds the short-term fiscal, financial and monetary policies that were adopted in response to the impacts of the 2008-2009 crisis.

"While the ongoing global financial and economic crisis, its impact on developing countries and the policy responses to that crisis have been at the centre of economic concerns since mid-2008, another pressing preoccupation for peoples

and governments around the world continues to be the threat of global warming that implies considerable risks for living conditions and developmental progress," Elkoussy said. "Against this backdrop, TDR 2009 is also addressing the question of how increased efforts aimed at climate change mitigation can be combined with forward-looking development strategies and rapid growth in developing countries," he added.

Safwat, for his part, said "the coming phase will witness an overhaul of economic and financial policies in the world. Our region cannot be an idle observer, but should actively participate in this process and take part in the solution". Safwat focused in his statement on ESCWA's recommendations related to assisting member countries to deal with the global financial crisis in the region.

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The regional commission's official classified countries of the region into four separate groups: oil-exporting countries, countries with diversified economies, LDCs, and countries under occupation. He said ESCWA facilitates a dialogue among decision-makers as well as international and regional bodies on means to overcome the crisis. It also provides member countries with advisory services for devising policies to tackle the financial crisis and manage its transitional phases. It therefore held a high-level consultative meeting for member countries on 5-7 May 2009 in Damascus that came out with a host of recommendations and measures to assist these countries in managing the crisis and dealing with its impacts.

Recommendations included: requesting member countries to implement a sustainable expansionary financial policy to boost local demand, reduce the period of slow



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economic growth, and speed up the pace of achieving the Millennium Development Goals (MDGs); encourage national, regional and global funds that provide additional liquidity to member countries facing such crises; seek to achieve economic diversity to minimize reliance on the oil sector; and facilitate intra-flows of trade in goods, services, individuals and capitals among ESCWA member countries to promote regional integration.

Ibrahim Saif noted that the report carries three messages regarding the global economy and ways to deal with it. "The first message revolves around consequences of the global financial crisis on developing countries and how they have dealt with it, in addition to the impacts of the crisis on some countries that will be unable to achieve the MDGs on time," he said. The second message concerns some proposed solutions to deal with this crisis, which involve cur-

rency exchange rate policies, as well as financial and monetary flows among countries and their impacts on deepening the crisis, he added. According to the Jordan University economist, the third message "is related to the environmental aspect, otherwise known as sustainable development, and to countries' ability to achieve balance between the economic development policy on the one hand and environmental policies on the other."

The report argued that climate change mitigation does not contradict development goals but is a process of structural change worldwide that offers enormous economic opportuni-

ties for enhancing development. The Copenhagen Conference on Climate Change scheduled for December offers a new opportunity to engage all countries in an effective international framework for policies aimed at reducing greenhouse gas emissions and limiting global warming. For developing countries and transition economies to benefit from these opportunities, necessary structural changes cannot be left to market forces alone; proactive industrial policies must be undertaken to link into the fast-growing market for "green technology" and "environmental goods". ■

Mitigating the Impact of Communal Tensions in the ESCWA Region

ESCWA gathered experts in a brainstorming session on the root causes of sectarian tensions in the ESCWA region at the UN House on 26 August 2009. The session was organized by the Section for Emerging and Conflict Related Issues (ECRI) in collaboration with the Heinrich Beoll Foundation of Germany. As a background to the discussion, ECRI presented a draft study on "Unpacking the Dynamics of Communal Tensions: A Focus Group Analysis of Perceptions among Youth in Lebanon". The meeting was designed to provide a platform for discussions amongst United Nations agencies, think tanks and academic institutions on the challenges associated with sectarian tensions in this region and in Lebanon in particular, with the objective of developing clear policy recommendations for ESCWA member countries and other relevant actors.

Historically, the strong influence of communal affiliation on political, economic and

social dynamics in the Arab region is not a novel phenomenon. Nevertheless, a series of developments over the last decades have re-triggered this potentially detrimental trend, which has increasingly re-asserted itself in several countries in Western Asia. If left unchecked, communal tensions will become a formidable and potentially unstoppable force of fragmentation and disintegration across the ESCWA region and beyond, undermining reform efforts, marginalizing human rights and religious values, and flaming disorder and civil discord.

The background paper adopts a purely qualitative approach based on the analysis of focus group discussions with youths in the age group 18 to 25. Utilizing Lebanon as a case study, it aimed to examine the dynamics of communal tensions, animosity and conflict. The paper contends that at the macro-level, communal tensions are compounded through the interplay between social and

economic factors, state-structural and political factors, cultural aspects, and external dynamics. At the micro level, the paper unraveled four building blocks as part and parcel of the root-causes of existing communal tensions. These are the reproduction of communal identity, the compartmentalization of inter-communal social relations, the exclusionary spaces of social relations and the clientelist nature of the political system.

Participants of the brainstorming session concluded with a discussion on recommendations which have been put forth to concerned state institutions, multilateral organizations, civil society and donors. These recommendations aim towards promoting civic values within the education system and promoting good governance practices within the public sector so as to enhance its capacity for development, social cohesiveness and peaceful co-existence. ■

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