

March 1st Launch news archives

Paul's Martin Speeches

NOTES FOR AN ADDRESS BY PAUL MARTIN PRIME MINISTER OF CANADA AND CO-CHAIR OF THE COMMISSION ON THE PRIVATE SECTOR AND DEVELOPMENT

**Presentation to the United Nations Secretary General of the Commission Report
Unleashing Entrepreneurship: Making Business Work for the Poor**

*United Nations Headquarters, New York
March 1, 2004*

Check against delivery

It is with great pleasure that Co-Chairman Zedillo and I, on behalf of our Fellow Commission Members, present to you - Secretary-General Annan - the Report of the Commission on the Private Sector and Development.

It is titled Unleashing Entrepreneurship: Making Business Work for the Poor.

For that is what we are hoping to do - to identify the best practices; the enabling reforms and domestic policies; and the partnerships at national and international levels that will unleash entrepreneurship in developing countries.

We focus on local small businesses and the informal, village-based micro-enterprises because of their "untapped" potential to contribute to domestic economic development.

They are the key players in the development effort.

They are the local employers; they are driven by the energy, innovation and dreams of a single person, or a single family, or a small firm starting from scratch.

All finding their niche, creating local employment in local communities, paying wages, meeting local demand.

And all with a potential to grow, to forge linkages with other businesses, small and large, and to drive the national economy forward as they expand to new markets.

This is a new pillar of development. Unleashing local private enterprise - supported by strong, indigenous democratic institutions.

Just last week, the Report of the World Commission on the Social Dimension of Globalization was issued in London - showing that fresh thinking is emerging on various fronts in getting us to the Millennium Development Goals.

We believe our Report responds to that call.

We believe that it also dovetails with the aim of the Secretary General's "Global Compact", in seeking new partnerships with major multinational corporations.

For too long, development specialists have overlooked or downplayed the role of entrepreneurship in creating economic growth, providing employment, and in increasing productivity.

Governments seeking to lift their people from chronic conditions of poverty must focus on the conditions that will allow local entrepreneurs to flourish.

But if they are to flourish and provide the jobs and income needed to build a more equitable and prosperous society - if they are to take root and grow - they need partnership.

Partnership on the domestic and international levels - cross-cutting partnerships - involving small businesses and micro-entrepreneurs, multilateral development institutions, civil society, and large-scale private sector companies.

Here the international community can assist.

Acting as enablers and catalysts, we can help to expand markets, create new business opportunities, provide expert assistance, and encourage regulatory reforms.

All with a view to fostering a competitive private sector that actively engages and directly benefits poor men and women.

So that poverty reduction and a renewal of self-respect, dignity and empowerment can be achieved.

Through new ideas, best practices, innovative approaches - many of which are outlined in the Report - we can stimulate new thinking and, critically, new action among all those who have a role to play in development - whether they be in the public sector, private sector, international agencies or civil society.

Let me just make a few observations, that flow from the report.

First. No one solution for economic growth, no one model, fits all countries, all situations. Each will have its special economic and cultural context.

Nevertheless, what most developing countries do have in common is an entrepreneurial spirit. It is strong - and it is local. It can be seen in the smallest village on market day.

This spirit is unequivocally there.

In the farmer ploughing his field, taking his goods to market. In the women who set up their own tiny enterprises - as the only possibility they have to be employed and earn an income.

All are sources of considerable potential for creating economic growth and development - provided that they are given the chance, the opportunity, to go as far as their dreams will take them.

Well, we can help them have this opportunity. By finding out where the obstacles are; and by working together to help to remove them.

Second - Governance.

Local private businesses need predictability; they need assurances of even-handedness and a level playing field.

They need the rule of law and a regulatory regime which aims to facilitate, rather than stifle, entrepreneurial activity.

Without such reforms, the full potential of small and medium-sized businesses will be stunted. And our efforts to encourage informal enterprises to join the formal sector of the economy will fail.

Third.

If we in the developed countries support knowledge, and skills acquisition as crucial to our own economies - isn't it logical and right that we help to support the same for entrepreneurs in developing countries?

Developed countries are wealthy because they tapped the energy and vision of their entrepreneurs. If it is essential for us, why not everywhere?

Fourth.

Multinational corporations with branches in developing countries - can play an important role by mentoring, training, and assisting the growth of local businesses through its knowledge and expertise.

We can do more by facilitating linkages among multinational corporations and small and medium-sized enterprises.

Finally: What has spurred us on in writing this Report - and as quickly as we did? Why the urgency? Why the call to action?

It is because the most pressing challenge we have for the 21st century is to end poverty; to realize, in human terms, the aspiration of the Millennium Development Goals.

The opening paragraph of our Report spells it out. The numbers we all know!

Despite great progress in the past 50 years, 1.2 billion people - one-fifth of the people on Earth - live on less than \$1 a day, without access to many of the social services basic to a decent human life.

It is a staggering number.

But look away from these numbers on a page - and imagine. Imagine row upon row of people, of all ages, of all ethnic makeup, representing the full breadth of humanity, living in abject poverty.

That is why we need new answers.

The Chilean writer, Isabel Allende, said: "How can one not speak about war, poverty and inequality when people who suffer from these afflictions don't have a voice to speak?"

That is the moral impetus behind assisting the developing world. That is why we are seeking to free the individual and tap into the ambitions and energies of the small businesses which exist virtually everywhere in the developing world.

Because that is where, we believe, there is hope; it is where we can begin to turn the tide against poverty, to hear those voices that today do not speak.

This Report - more than an analytical treatise, more than a collection of facts and statistics - is thus a Call to Action.

Its contribution must be measured solely by whether or not it leads to the measures that it so urgently recommends.

Mr. Secretary-General:

On behalf of all Commission Members, I would like to thank the team that so quickly, expertly and substantially contributed to the production of this Report.

We benefited enormously from the input and assistance of many individuals and organizations. And especially from the help of the United Nations and Mark Malloch Brown - for which we thank you.