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### **GLOBAL COMPACT SEEKS SOLUTIONS TO SOCIETAL PROBLEMS, WHILE ENSURING GLOBALIZATION**

### **WORKS FOR ALL, SECRETARY-GENERAL SAYS AT U.S. BUSINESS COUNCIL DINNER**

Following is the text of remarks by Secretary-General Kofi Annan at the dinner hosted by the United States Council for International Business, in honour of Charles [Chad] Holliday, Jr., Chairman and Chief Executive Officer, Dupont, in New York, on 7 October:

It is a great pleasure to join you in paying tribute to Chad Holliday, a good friend of the United Nations.

I am also pleased to have this opportunity to talk to you about the Global Compact.

Your dinner takes place on the heels of the general debate, when world leaders come to the UN to give speeches and hold meetings. You would be right in thinking of this as the time of year when my board of directors -- all 191 of them -- set out their hopes and priorities for the fiscal year ahead. But this year, it has not been a routine affair at all. The dramatic events of the past several months -- the war in Iraq, the bombing of the UN headquarters in Baghdad, the setback at trade talks in Cancun -- have raised questions of fundamental importance for the future of the United Nations and our global work for peace. Just as the boards of some major U.S. corporations have been in turmoil in the past couple of years, so, too, is ours.

Some Member States are deeply uneasy about the threat of new terrorist attacks, and the prospect that weapons of mass destruction could fall into the wrong hands. But just as many said their most pressing problems were the violence caused by civil wars, small arms such as landmines and machine guns, and the despair caused by so-called "soft threats" such as poverty, disease or environmental degradation.

Clearly, we need to work hard to rebuild consensus on our priorities, and it may be necessary to make bold changes in our rules and mechanisms. In short, this is a time of challenge, but potentially, also of opportunity for the United Nations. I told Member States that the UN has come to something of a fork in the road -- with one path leading towards true revitalization and effectiveness, the other towards disappointment and despair. As you know all too well, any enterprise, whether a corporation or an intergovernmental institution, has to change with the times.

Our customers and clients -- the world's peoples -- expect no less. And as we move ahead, it would be unthinkable for the private sector not to be closely involved -- both in policy-making discussions here at Headquarters and in projects on the ground.

Of course, there will always be disagreements between the UN and the business community. That is a healthy part of any relationship. Businesses will continue to find fault with government inaction and NGO activism. Non-governmental organizations will continue to set high standards for corporate and government behaviour. But the bottom line is that we need each other, and need to find ways to work together, each doing what it does best.

That is where the Global Compact — and you — come in.

The Compact seeks to enlist leaders such as yourselves, and their counterparts in the labour, human rights, and environmental movements, in an effort to promote corporate citizenship. It is based on well-established international principles. And it has already been embraced by hundreds of participants from within and beyond the business community.

The Compact is not a code of conduct. It is simply a platform, an arena, a framework for cooperation and learning. It seeks solutions to societal problems, while ensuring that markets remain open and that globalization works for all people.

Chad Holliday has been a great supporter of the Compact from the start. He has recognized the need for corporations to practise global citizenship, and to be seen as part of the solution to global problems, rather than obstacles to progress. He has understood that leadership from the top is essential. And he has acted not just because he recognizes Dupont's responsibilities, but because he keenly sees opportunities along this path — the path of enlightened self-interest. I hope you will listen to what Chad has to say about the Compact, and most of all that you will follow his fine example — the example that has won him the recognition he is receiving tonight.

The United Nations occupies a unique place in today's world. I hope you will recognize its value, deepen your involvement, and help us succeed in our global mission of peace and development.

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