



## **United States Mission to the OSCE**

### **Economic and Environmental Dimension Implementation Meeting Closing Remarks**

As delivered by Ambassador Ian Kelly  
U.S. Permanent Representative to the OSCE  
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The United States would once again like to thank the Lithuanian Chairman-in-Office, Secretary General Zannier, Coordinator for Economic and Environmental Activities Svilanovic, and our Austrian hosts for convening this inaugural Economic and Environmental Dimension Implementation Meeting. We said at the outset that this event holds great promise for expanding the review of implementation of all the OSCE commitments. We are firmly convinced that this meeting has met its goal, and the United States strongly encourages future chairmanships, beginning with the Irish and then the Ukrainian, to ensure that the EEDIM becomes a regular feature of the OSCE calendar.

Over the last several years, even before the global economic downturn, we have seen a growing appreciation for the role and value of the economic and environmental dimension in the OSCE's work. The worldwide financial crisis has only served to bolster that view, as earlier political and economic orthodoxies have been directly challenged by changing realities. My country recently launched a new initiative to ensure economic issues are front-and-center in all of our foreign policy activities. I'd like to share with you one of the conclusions of last year's Quadrennial Diplomatic and Development Review released last year that has led to the plan to establish the position of chief economist at the U.S. Department of State, namely that "distinctions between 'economic' and 'security' policies are fading as nations . . . reorient their national security strategies to focus more on economic security" and deal more in economic power. This idea is not a new one in the OSCE context—it is a precise description of how the second dimension of security relates to the first. What is new is the sheer influence economics now have on political relationships around the globe.

As we have said many times over the last three days, good governance will continue to be a core issue in meeting economic and environmental security commitments. We do not reiterate this theme time and again in order to preach—we do so because the lack of good governance has been objectively and demonstrably shown to be the greatest obstacle to trade and investment, which of course are the key ingredients in economic growth. Secretary Clinton, in her remarks to the New York Economic Club last Friday, spelled out a number of issues the OSCE is already addressing, including developing international norms and rules on budgetary transparency, and deploying new energy efficient technologies and renewable energy sources, and investing in better transportation infrastructure, including border crossings. So there is a role for the OSCE to play, linking as it does 56 participating States and 12 Partners for Cooperation, with over 1.7 billion people and a combined economic output of approximately \$45 trillion a year.

A key component for good governance is the engagement of women. When women are discriminated against in the political arena, their experiences, talents, and perspectives of over

half the world's population are shut out of the policy decisions of our democracies, and prospects for a better world are short-changed. In addition, according to the World Bank, at the country level, higher rates of female participation in government are associated with lower levels of corruption. And as Secretary Clinton mentioned in her recent APEC speech, investing in women's economic potential is central to our strategy of promoting economic growth and prosperity. Because of this, we are of course very pleased that women's economic participation will be a key focus of the Vilnius ministerial.

One sub-region within the OSCE area where we can readily focus these priorities is Central Asia, with an eye toward deepening our Madrid commitments to support the OSCE's Partner for Cooperation Afghanistan. Relevant to this meeting, I would like to highlight elements of the "New Silk Road" vision the region is pursuing. In a recent address, Under Secretary for Economic, Energy and Agricultural Affairs Robert Hormats detailed several key areas of work where the OSCE could play a vital role, including in the economic and environmental dimension. Under Secretary Hormats spoke of the need to remove the bureaucratic barriers and other impediments to the free flow of goods and people in the region. He noted that agriculture and light manufacturing are the main sectors of regional economies, and that to support the development and growth of these sectors, more modern infrastructure is needed. The Afghans in particular are taking the right steps to modernize their economy; their implementation of the Extractive Industries Transparency Initiative is a key step in managing the vast mineral wealth of the country in a way that benefits all citizens—and the EITI's express involvement of civil society is an indispensable aspect of Afghanistan's public management efforts. As we have pointed out throughout this meeting, the private sector is an important partner in these initiatives—indeed, as our delegation has already noted, civil society necessarily includes business. By combining efforts, governments, civil society and citizens can work to improve the administrative effectiveness and democratic accountability of all governance structures. We therefore will continue to seek opportunities to assist governments that have committed themselves to modernizing and opening their economic and political systems, in Central Asia and indeed across the entire OSCE region.

It's important also to note that the New Silk Road vision is intended to be inclusive of all the region's citizens, including women and girls. As business and civil society leaders in the region, women have the potential to be key drivers of economic and political progress.

As we look ahead to the Vilnius Ministerial and to next year's Economic and Environmental Forum, we thank all delegates and panelists who have given us much food for thought. Let us find the political will to join consensus on much-needed tools that will improve the implementation of our commitments, and continue the dialogue on the issues that unfortunately still divide us.

Thank you, Mr. Moderator.