



INTERACTION
COUNCIL

1 December 1985

HIGH-LEVEL EXPERT GROUP ON THE
INTERRELATED ISSUES OF ENVIRONMENT, POPULATION AND DEVELOPMENT

2 and 3 December 1985, Tokyo

Takeo Fukuda

Edward Ayensu

Takashi Sato

Mavis Gilmour

Soedjatmoko

He Liliang

M. S. Swaminathan

Jan Kostrzewski

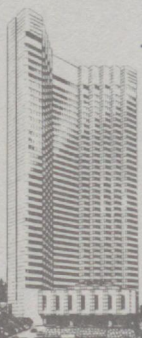
Peter Thacher

Rafael M. Salas

Bradford Morse

Recommendations

- I Education, Research, Training
- II Rural Development and Basic Human Needs (water, food, fuel, fodder and shelter)
- III Ecologically sustainable agricultural and industrial technologies:
- IV Policies and Programs ~~at the~~ of Government at NAGs levels
at National
Bilateral
Multilateral] levels
- V New organizational structures
- VI Test case: Sahel





Major Recommendations of the Group

1. Create an organization to focus on the problem of environmental refugees. It should generate awareness, analyze the problem and promote action to generate opportunities for employment and income generation in rural areas. (Swaminathan)
2. Set up a consultative group for the integrated application of traditional and frontier technologies. Such a non-political, non-profit organization should promote an international network of public and private institutions. It should also promote a low-cost International Resource Corps of Professionals who would assist on specific projects in rural areas. (Swaminathan)
3. Promote increased efforts for rural education of 6-15 year olds, particularly including girls. Increase efforts to eradicate adult illiteracy, especially among women. Increase the transfer of 'state of the art' education technology to developing countries. (Gilmour)
4. Promote ^{rural} ~~moral~~ development through industrialisation of agriculture and moral cultural and entertainment possibilities. (Gilmour)
5. Mobilise public opinion in ^{developing countries} ~~each developing country~~ to influence political leaders to undertake programmes in the interest of nation building, ^{be able to} (Gilmour)
instead of politically expedient ones.



6. Influence private sector (multinational) organisations to provide financial support for the supply of locally available technical and scientific manpower to meet the needs of developing countries. (Gilmour)
7. Assist in focusing spiritual leaders on the problems of environment population and development. (Gilmour)
8. Promote increased national and international support for global programmes to improve human health--particularly for primary health care, family planning, immunisation of children, and control of diarrhoeal and tropical diseases. (Kostrzewski)
9. Promote the strengthening of research and training potentials of developing countries, particularly of universities and research training insititutions. (Kostrzewski)
10. Promote 'coalitions' of countries in particular geographic areas or regions (eg. Europe) to prevent, and reverse present trends in air, water and soil pollution, destruction of natural ecosystems, deforestation and soil erosion, etc. (Kostrzewski)
11. Council should stress interest of every country in promoting national strategies which together will allow world population to stabilise 40 years sooner than currently anticipated, and at a level two billion below the present medium projection of 10 billion. (Thacher)



12. It should also stress the need to increase the supply of goods and services, especially food and energy so as to meet the demands of a growing population without disastrous environmental impacts. (Thacher)
13. The Council should propose that governments make more use, domestically, of non-governmental, private sector and voluntary organisations, and internationally, of multilateral activities. Governments should use multilateral organisations to ~~to~~ make common assessments of problems jointly faced, and agree on targets to pass through coming decades of rapid change most successfully. (Thacher)
14. Council should prepare, and present, specific suggestions as to the use of computer and communication possibilities to achieve a broader understanding of the relationship between P.E.D. and resources. (Thacher)
15. The Council should press for the reinforcement of multilateral institutions to carry out programmes of common benefit. Industrialised countries should make available to them advanced technology and funds for training in its use for national assessments and planning and expanding data flows in health meteorology etc. (Thacher)
16. The Council should call for ~~the~~ debt forgiveness and rescheduling ^{which} should be accompanied by use of equivalent



funds in local currency to generate employment in ecosystem rehabilitation etc. Armed services should also be mobilised for such purposes. (Thacher)

17. The Council should consider calling on all nations and particularly the developing countries ~~to~~:
- to establish P.E.D. related guidelines in development projects,
 - forest projects should not lead to over-fishing or over grazing,
 - projects should not cause severe environmental deterioration or compromise health or safety.
 - projects should not displace or disadvantage vulnerable groups.
 - technological solutions to environmental problems should increasingly become less demanding and destructive to the natural resource base, becoming more 'preventive' and less 'reactive'. (Ayensu)
18. The Council should make a bold statement on the role that international and national business communities can play in regard to P.E.D. issues. (Ayensu)
19. The Council should particularly stress the need for a few first class international institutions in Africa. (Ayensu)
20. On population policy, the Council should state that practical measures ^{such as family planning} should transcend ~~religious teachings and~~

h
difficult implications
of religion!



20. On population policy, the Council should state that practical measures i.e. family planning, should transcend difficult religious implications. Without overcoming the very difficult religious barriers family planning cannot effectively solve population problems. (Sato)
21. The question of food supply should be carefully examined with the contact of P.E.D., particularly as between cities and rural areas. The Council should recommend self-sufficiency in staple foods, with imports only to make up for shortages. The present international division of labour in food production is totally unacceptable. (Sato)
22. The Council should stress that rural life must be made more attractive, requiring the establishment of a long-term productive system as the core of the development process. The focus must be on longer term, self-sufficient food production systems, rather than on temporary, relief aid. (Sato)
23. Particular attention must be paid to the preservation of good agricultural land and the prevention of soil erosion desertification, and to the negative ramification of environmental destruction that has occurred in the past. (Sato)
24. The Council should stress that in P.E.D. areas, multi-lateral aid should play a major role with bilateral aid playing a complementary role. (Sato)



25. The Council should emphasize the need for local approaches through the basic social unit of the family. The linkage of P.E.D. at the local level is through women, and their educational level is a major determinant governing fertility behavior, their role in food production and the rate of acceptance of social change. At their level, the connector between agricultural productivity, food production and energy, fertilizer and water availability are crucial elements. (Soedjatmoko)
26. A new effort is required to promote rural industrialisation, integrating emerging and traditional technologies, social infrastructures, and information relevant to the farmer and his family. (Soedjatmoko)
27. Regional approaches should be emphasized where necessary to recognize ecological rather than political boundaries. (Soedjatmoko)
28. The Council should emphasize national capacity building, recognizing not only the need for correct policies, but also the weaknesses of political and bureaucratic institutions to implement policy. International research and training institutions should be established where the problems are, helping to speed up the strengthening of national institutes; specifically, an international institute, or a network of institutions for rural industrialisation may be required. (Soedjatmoko)



29. The Council should re-emphasize that a solution to the debt-problem, and adequate levels of resource transfer are required, especially in a period of slow growth. Japan particularly may wish to review the priorities suggested by the Council in the light of the need to utilise surplus capital which may result from a slowing down of the U.S. economy. (Soedjatmoko)

30. For Future Generations

Although the InterAction Council is very concerned about presenting few specific proposal to governments and the world at large, I believe the opportunity should not be missed by the Council to address the question of population, environment and development with the context of future generations.

A clear message should be sent to the world by the InterAction Council that we of the present generation have a major obligation to protect the global heritage for future generations. This obligation should be seen as the cardinal value needed to maintain the human and other species on this planet. The time is ripe for this technologically advanced generation of the 20th century to think seriously about the establishment of trust funds to accompany certain activities which pose enormous risks to the health and livelihood of future generations. (Ayensu)



31. N.G.O.s

While governmental involvement to the questions of population, environment and development are unquestioned, the InterAction Council should help to place N.G.O.s on a level of consciousness among nations because experience has shown that a systematic mobilization of N.G.O. efforts can and indeed do play a major role in helping with issues of population, environment and sustainable development. N.G.O.s have demonstrated their ability to assist and catalyze the process of awareness in building rural and urban community spirit towards self reliance. Their performance in increasing the awareness and supporting the initiatives of the urban poor has been demonstrated also.

In recent months the N.G.O.s have helped with food aid and other emergency-donor agencies with respect to the African crisis. The InterAction Council should consider proposing that governmental organisations encourage the N.G.O.s to participate even more actively in rural rehabilitation programmes. The depth of humanitarian feelings which N.G.O.s bring to the rural and urban poor has won them the trust of these disadvantaged people. The N.G.O.s do represent the most valuable aspect to many rural areas which are not considered as of central importance by national establishments. (Ayensu)

Test case :- Sahel
for PED

- ① Human & animal populations
- ② Agricultural & Ecological Rehabilitation efforts
national
bilateral
Multilateral

③ Harmonious development

Short term : Additional production efforts in HFA - minimum price

Long term : Ecological Rehabilitation (until the beginning of the 21st century).

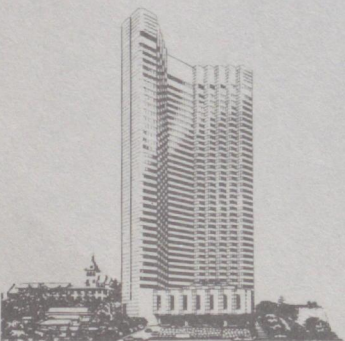
④ Pattern of formulating and complementary development strategies

National - Multilateral Planning

National
Bilateral
Multilateral

Task adoption approach

within an Ecologically sound plan.





1 December 1985

HIGH-LEVEL EXPERT GROUP ON THE
INTERRELATED ISSUES OF ENVIRONMENT, POPULATION AND DEVELOPMENT

2 and 3 December 1985, Tokyo

Akasaka Prince Hotel
Tel: 03-234-1111

2 December

10:00- First meeting Rm. 1010
12:00

Opening of the session by Mr. Takeo Fukuda

Remarks by Mr. Bradford Morse

Discussion

12:30- Luncheon hosted by Mr. Bradford Morse Rm. 1510
14:00

15:00- Second meeting
17:30

18:30 Dinner hosted by Asian Population Development
Association Rm. 1510

3 December

10:00- Third meeting
12:00

12:30- Luncheon hosted by Mr. Takeo Fukuda at Blue
14:00 Gardenia, Akasaka Prince Hotel.

15:00- Fourth meeting -
17:00 Conclusion



25 November 1985

HIGH-LEVEL EXPERT GROUP ON THE
INTERRELATED ISSUES OF ENVIRONMENT, POPULATION AND DEVELOPMENT

2 and 3 December 1985, Tokyo

Conference Room 1510
Akasaka Prince Hotel
Tel: 234-1111

Chairman:

H.E. Mr. Takeo Fukuda

Expert Members:

Mr. Edward Ayensu (Ghana)

Special Fellow, Smithsonian Institute

Dr. Mavis Gilmour (Jamaica)

Minister for Education; Former Minister of Health

Madame He Liliang (China)

Ministry of Foreign Affairs

Mr. Jan Kostrzewski (Poland)

Professor, Academy of Sciences

Mr. Rafael M. Salas (Philippines)

Executive Director, United Nations Fund for
Population Activities

Mr. Takashi Sato, MP (Japan)

Chairman, Asian Forum of Parliamentarians on
Population and Development

Dr. M.S. Swaminathan (India)

Director, International Rice Institute, Manila;
President, International Union for the
Conservation of Nature; Chairman, FAO Council

Mr. Peter Thacher (USA)

Distinguished Fellow, World Resources Institute

Secretary General

InterAction Council:

Mr. Bradford Morse

Secretariat:

Mr. Martin Lees

Mr. Hans d'Orville



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*With the compliments
of*

Best desk

rec'd 11-29 evening

WORLDBANK MS SYSTEM

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DR. M.S. SWAMINATHAN
C/O MR. FARRAR (CGIAR)
TELEX: 440098
WORLD BANK
WASHINGTON DC

DEAR DR. SWAMINATHAN,

I HAD TRIED TO CONTACT YOU IN MANILA, BUT HAVE LEARNED THAT YOU ARE CURRENTLY ATTENDING THE CGIAR MEETING IN WASHINGTON. ALLOW ME THEREFORE TO TRANSMIT TO YOU THE TEXT OF THE TELEX SENT EARLIER TO MANILA QUOTE I AM ADDRESSING YOU TODAY IN MY CAPACITY AS CHAIRMAN OF THE INTERACTION COUNCIL WHICH BRINGS TOGETHER A GROUP OF 30 FORMER HEADS OF GOVERNMENTS FROM NORTH AND SOUTH, EAST AND WEST, IN AN EFFORT TO STIMULATE PRACTICAL ACTION ON THE MOST CRITICAL ISSUES FACING THE WORLD TODAY.

AT ITS LAST SESSION, HELD IN PARIS IN APRIL 1985, THE INTERACTION COUNCIL ADOPTED A FINAL STATEMENT IN WHICH IT EMPHASIZED, AMONG OTHERS, THE NEED FOR CONCLUDING GLOBAL AGREEMENTS TO PREVENT THE FURTHER DEGRADATION OF THE ENVIRONMENT, TO TACKLE THE DETERIORATION OF THE EARTH'S ATMOSPHERE AND TO SUPPORT MEASURES TO CONTROL THE EXPLOSIVE POPULATION GROWTH. THE COUNCIL WILL TAKE UP THESE ISSUES AT ITS NEXT SESSION SCHEDULED FOR APRIL 1986. TO DEVELOP PROPOSALS AS TO HOW THE INTERRELATED PROBLEMS OF ENVIRONMENT, POPULATION AND DEVELOPMENT COULD MOST CONSTRUCTIVELY BE ADDRESSED AT THE POLITICAL LEVEL, THE COUNCIL EXECUTIVE COMMITTEE - COMPOSED OF FORMER PRIME MINISTER TAKEO FUKUDA OF JAPAN, FORMER CHANCELDOR HELMUT SCHMIDT OF THE FEDERAL REPUBLIC OF GERMANY, GENERAL DLUSEGUN OBASANJO, FORMER HEAD OF THE FEDERAL MILITARY GOVERNMENT OF NIGERIA, MANEA MANESCU, FORMER CHAIRMAN OF THE COUNCIL OF MINISTERS OF THE SOCIALIST REPUBLIC OF ROMANIA, FORMER PRESIDENT MISAEL PASTRANA BORRERO OF COLOMBIA, FORMER PRIME MINISTER MALCOLM FRASER OF AUSTRALIA, BRADFORD MORSE, ADMINISTRATOR OF UNDP, WHO SERVES IN HIS PERSONAL CAPACITY AS SECRETARY GENERAL OF THE COUNCIL, AND MYSELF- DECIDED TO SPONSOR A GROUP OF HIGH LEVEL EXPERTS. THIS GROUP WILL BE ASKED TO IDENTIFY THE POLITICAL IMPLICATIONS OF THE TRENDS IN THE AREAS OF ENVIRONMENT, POPULATION AND DEVELOPMENT, WITH PARTICULAR EMPHASIS TO THEIR INTERRELATIONSHIPS, AND TO ASSESS THE POLITICAL AND ECONOMIC CONSEQUENCES OF SUCH TRENDS.

FORMER PRIME MINISTER FUKUDA OF JAPAN AGREED TO CONVENE AND SERVE AS CHAIRMAN OF THIS GROUP WHICH, IN ADDITION TO HIMSELF, WILL COMPRISE SOME 10 OUTSTANDING EXPERTS.

ON BEHALF OF PRIME MINISTER FUKUDA AND OF THE INTERACTION COUNCIL I HAVE THE HONOUR TO INVITE YOU, IN YOUR PERSONAL CAPACITY, TO PARTICIPATE IN THIS ENDEAVOUR.

PRIOR TO THE MEETING YOU WILL RECEIVE A BACKGROUND PAPER HIGHLIGHTING THE SALIENT ISSUES AND REVIEWING POSSIBLE ACTION PROPOSALS.

THE SESSION OF THE HIGH LEVEL EXPERT GROUP WILL BE HELD ON 2 AND 3 DECEMBER 1985 IN TOKYO, JAPAN. THE INTERACTION COUNCIL WILL MEET ALL EXPENSES FOR YOUR FIRST CLASS ROUNDTRIP TO TOKYO AND FOR THE AKASAKA PRINCE HOTEL IN TOKYO, WHERE YOU WILL BE ACCOMMODATED.

MR. FUKUDA AND I ARE EXCEEDINGLY HOPEFUL THAT YOU WILL FIND IT POSSIBLE TO ACCEPT THIS INVITATION AND WOULD APPRECIATE YOUR REPLY BY CABLE OR TELEX TO BRADFORD MORSE, SECRETARY GENERAL INTERACTION COUNCIL, CABLE UNDEVPRO NEW YORK OR TELEX 422 862 DPNY NEW YORK. KINDLY ALSO INDICATE THE ADDRESS, TELEPHONE AND TELEX WHERE YOU COULD CONVENIENTLY BE CONTACTED. THROUGH REGULAR MAIL YOU WILL RECEIVE SHORTLY INFORMATION MATERIAL ABOUT THE INTERACTION COUNCIL AND ITS PAST ACTIVITIES. WITH HIGHEST ESTEEM. UNQUOTE

KURT WALDHEIM

ALT RTD FM MSG

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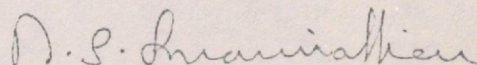
October 30, 1985

Dear Dr. Morse,

I have received the telex invitation from Mr. Kurt Waldheim for the meeting you are organizing in Tokyo on 2nd and 3rd December under the chairmanship of former Prime Minister Fukuda. In view of the importance of the meeting, I shall be happy to attend. During the next 15 days, I will be traveling and I enclose my contact addresses. Please arrange to send the travel authorization to my address at the International Rice Research Institute (IRRI).

With my best regards.

Yours sincerely,



M. S. Swaminathan
Director General

Dr. Bradford Morse
Administrator
United Nations Development
Programme (UNDP)
One United Nations Plaza
New York, New York
U. S. A.

:eby





INTERACTION
COUNCIL

25 November 1985

FUKUDA-GROUP

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INTERACTION COUNCIL

IAC/3

FINAL STATEMENT

Adopted at the Second Session

BRIONI

24-26 May 1984

1. The InterAction Council held its second session on the island of Brioni, Yugoslavia from 24-26 May 1984. The Council, chaired by Dr. Kurt Waldheim, former Secretary-General of the United Nations, is comprised of 26 highly respected members who have held the highest office as Heads of Government in their respective countries. They have agreed to pool their experience, in their individual capacities, to promote action on priority issues affecting worlds peace and development. The participants at the Brioni meeting were as follows:

Kurt Waldheim, Secretary-General of the United Nations,
1971-1981, Chairman

Takeo Fukuda, Prime Minister of Japan, 1976-1978, Honorary
Chairman

Ahmadou Ahidjo, President of the United Republic of
Cameroon, 1960-1982

Kirti Nidhi Bista, Prime Minister of the Kingdom of Nepal,
1969-1970, 1971-1973 and 1977-1979

Kriangsak Chomanan, Prime Minister of Thailand, 1977-1980

Mathias Mainza Chona, Prime Minister of the Republic of
Zambia, 1973-1975 and 1977-1978

Jenő Fock, Chairman of the Council of Ministers of the
Hungarian People's Republic, 1967-1975

Malcolm Fraser, Prime Minister of Australia, 1958-1962

Arturo Frondizi, President of Argentina, 1958-1962

Kurt Furgler, President of the Swiss Confederation, 1977
and 1981

Manea Mănescu, Chairman of the Council of Ministers of the
Socialist Republic of Romania, 1974-1979

Olusegun Obasanjo, Head of the Federal Military Government of Nigeria, 1976-1979

Ahmed Osman, Prime Minister of the Kingdom of Morocco, 1972-1979

Misael Pastrana Borrero, President of Colombia, 1970-1974

Maria de Lourdes Pintasilgo, Prime Minister of Portugal, 1979-1980

Mitja Ribičič, President, Federal Executive Council of the Socialist Federal Republic of Yugoslavia, 1969-1971

Helmut Schmidt, Chancellor of the Federal Republic of Germany, 1974-1982

Ola Ullsten, Prime Minister of Sweden, 1978-1979

Bradford Morse, Secretary-General of the InterAction Council

2. Some members of the Council who could not be present at the session addressed messages to the participants in Brioni. Such messages were received from Mr. Giulio Andreotti, former Prime Minister of Italy, Mr. Jacques Chaban-Delmas, former Prime Minister of France, Mr. Selim Hoss, former Prime Minister of Lebanon, Mr. Hédi Nouira, former Prime Minister of Tunisia, and Mr. Carlos Andres Perez, former President of Venezuela.

3. Two members of the Policy Board of InterAction participated in the session: Mr. Sardar Swaran Singh of India and Mr. Mamoudou Touré of Senegal. Further, the session was attended by several special guests: Mr. Arthur Dunkel, Director-General of the General Agreement on Tariffs and Trade (GATT), Mr. Diego Arria representing former President Carlos Andres Perez, Mr. Harald Malmgren and Mr. Henri Arphang Senghor representing former President Leópolo Sédar Senghor.

4. Mr. Veselin Djuranovič, President of the Presidency of the Socialist Federal Republic of Yugoslavia, honoured the InterAction Council by his presence at the opening meeting at which he delivered an important statement. The participants in the session were also received by Mr. Raif Dizdarevič, Foreign Minister of the Socialist Federal Republic of Yugoslavia.

5. At its session, the InterAction Council reiterated its concern, expressed at its first session in Vienna in November 1983, that world peace was being threatened on two fronts, the politico-military and the economic. The Council reaffirmed to continue to attach high priority to three central issues:

- (a) the promotion of peace and disarmament;

(b) the revitalization of the world economy, in particular by way of lower interest rates and dealing with the problems of external debt;

(c) the strengthening of co-operation for development.

6. Mr. Helmut Schmidt, former Chancellor of the Federal Republic of Germany, presented to the Council a report of a group of financial experts (*) which had met under his chairmanship in Wolfsberg, Switzerland on 5th and 6th of May 1984 to explore possibilities for realistic action in the critical areas of money, finance and debt which could be promoted by the InterAction Council within the framework of the Council's Final Statement of Vienna.

7. In addition, the Council had before it concrete proposals for action relating to trade and protectionism and to new approaches to intensify assistance to developing and, especially, least developed countries, together with a report by the Chairman on consultations carried out by him with high-level representatives of the major Powers in regard to the issues of peace, security and disarmament.

8. At the conclusion of the session, the InterAction Council adopted the following

FINAL STATEMENT

9. The InterAction Council is gravely concerned about a number of issues affecting world peace and development. This concern, already expressed at the Council's first session in Vienna in November 1983, has been deepened by the events and trends of the past six months.

10. A vacuum has emerged at the international level with a virtual absence of meaningful contacts between the two superpowers, increasing the danger of nuclear confrontation with unimaginable destructive consequences. An escalating arms race and conflicts among developing countries drain large amounts of resources urgently required for development. A vacuum has also developed in relations between developing and developed countries, endangering the prospects for prosperity and development.

11. The stability of worldwide monetary and financial arrangements is now in question, particularly in view of the heavy debt burden of developing countries which is exacerbated by high deficits in industrial countries,

(*) In addition to Mr. Schmidt, the following experts participated: Mr. Aldo Ferrer (Argentina), Mr. Milton W. Hudson (USA), Mr. Fritz Leutwiler (Switzerland), Mr. Michiya Matsukawa (Japan), Mr. Abdul Aziz al-Quraishi (Saudi Arabia), Mr. I.G. Patel (India), Mr. Mamoudou Touré (Senegal) and Mr. John Williamson (United Kingdom).

leading to high interest rates. At the same time, trade arrangements are increasingly afflicted by protectionism. This situation is, in the Council's view, unsustainable. Decisive and imaginative leadership is required from the Governments of all countries, from international groups and organizations, from the private sector and from individuals. All must recognise that they must accept some measure of sacrifice to achieve constructive solutions which are indeed feasible and which will be in the vital interests of all.

12. A special effort is required, based on international solidarity and common human interest, to increase the assistance provided to the least developed countries. These countries, already underdeveloped, have suffered acutely from the turmoil of the international economic system, and now are facing natural disasters as well.

13. The Council reaffirmed its conviction that the United Nations Organization should play a critically important role in the examination and solution of the major issues confronting humanity - peace, disarmament and world development.

14. Current problems of peace and development cannot be solved simply by ad hoc measures in response to crises as they emerge. Restoration of world prosperity on a sustainable basis will require responsible and concerted action by all: North and South, market and socialist economies, oil-exporting and oil-importing countries, debtor and creditor countries, least developed and other developing countries, governments, international organizations and private sector, banks in particular.

15. A number of important principles must be respected.

- Economic policies should be guided not just by short-term concerns but also by their long-term consequences;

- The institutions of international economic, financial and monetary co-operation should be reinforced and sustained, and adapted to present and future needs of the world economy and development;

- The economic waste involved in current global levels of military expenditure which is a significant causal factor in the economic difficulties confronted by the world community must be diminished;

- Human resource development - improving the skills and management abilities of developing countries - is a prerequisite for economic and social progress and should be accelerated;

- The ominous long-term economic implications posed by the depletion of natural resources and by ecological deterioration should be given serious attention; and

- The ultimate aims of economic activity should be an enhancement of welfare and the respect of human rights and of cultural values, in order to benefit the individual.

I.

Debt crisis and debt management

16. The debt problem was jointly created by the actions of all parties. It is therefore the joint responsibility of all to seek solutions. The world must not repeat the disasters that flowed from the demands for unrealistic resource transfers in connection with reparations and interallied war debt during the interwar years. Co-operation among central banks and the skillful responses of the Bank for International Settlements and the International Monetary Fund (IMF) have succeeded in containing thus far the debt crisis. Given the gravity of the economic situation of developing countries and of a number of commercial banks in the developed countries, it is clear that special emphasis needs to be given to proposals for practical action to manage development and debt problems rather than to react to them. There is now an urgent need for a comprehensive solution to the debtor-creditor problem. This statement spells out some of the principles that should apply in working for such a solution. This task is of paramount importance if a major international crisis is to be averted.

17. Debtor countries should pursue realistic adjustment programmes agreed in good time with the IMF, as they pursue development programmes with the World Bank. Such programmes need to combine a sustained improvement in the balance of payments with a resumption of economic growth and development. At present, the essential, even if unpopular, role of the IMF is that of negotiating adjustment programmes with countries confronting balance of payment or debt-servicing problems. There must be conditionality, otherwise fresh credits will not flow. This conditionality must take into account the interests of debtors and creditors alike and the social and political situations of the countries concerned. The conditions applied in the future should not so seriously affect the economic, social and political fabric of the country, the living conditions of its people, or the availability of critical development inputs, that they call in question the possibility of a resumption of growth and continuing economic and social progress.

18. Countries should create favourable conditions for the return of flight capital, which has reached substantial dimensions in a number of countries in recent years and which contributes significantly to the debt problem. Likewise they should try to attract more direct private investment. This above all, entails realistic exchange rate policies, the avoidance of artificialities in domestic pricing and the removal of bureaucratic restrictions on foreign investment, which must, however, reflect the concerns and interests of both the investors and the recipient countries.

19. Given the economic situation faced by debtor countries, an element of austerity is inevitable in effective adjustment programmes but austerity should not be pushed beyond the level essential for successful medium-term adjustment. Adjustment programmes should encourage the transformation of productive structures, stabilisation and increased capital formation, so that countries can adapt to the changing conditions of the world economy.

20. On the other hand it is politically intolerable that as a result of fluctuations in interest and exchange rates, debtor countries can not predict the maximum debt service payments that they will have to make in dollars for the year ahead. This uncertainty has a devastating effect on national planning and development. Measures to increase predictability are needed to provide some degree of protection against such fluctuating rates.

21. The contribution of the commercial banks should be to provide fresh money and interest relief in instances where a debtor country is making a good-faith commitment to adhere to an IMF programme, and to devise mechanisms that will cap the debt service payments that countries have to transfer. Measures will need to be tailored to meet the situation of individual debtor countries while taking into account the concerns of the creditors. To contain annual debt repayments where they become excessive such measures may include:

- The restriction of annual debt service payments of a debtor country to an agreed maximum,
- The consolidation of short-term debts to medium-term fixed interest bonds,
- Multi-year rescheduling instead of the current shortest term practice,
- Capitalization of interest, and
- Additional special measures, as may be required, for developing countries on a case by case basis.

22. The poorest developed countries, in comparison with other groups of countries, have been forced into excessively harsh adjustment measures, partly in response to changes in their terms of trade, as a result of declining prices for their primary products coupled with dramatic increase in oil prices. The scale of indebtedness of these countries in world terms is not substantial and particular measures should therefore be taken to bring the terms of debt repayment for these countries into line with their longer term capacity to pay, while upholding the basic principle that obligations should be honoured.

23. The governments of creditor countries should support the establishment of the mechanisms indicated in paragraph 21 and apply their principles. They should also provide comparable fresh financial resources and interest relief through various mechanisms such as the Paris Club. They should take account of the vital interests of debtor countries, in particular, in a lowering of world interest rates and in trade expansion when they formulate their macro-economic policies. Stability and confidence would be greatly enhanced if governments of the Organization of Petroleum Exporting Countries (OPEC), other governments and central banks would agree to consolidate a larger part of their deposits into medium term bonds.

24. The international financial institutions must be furnished with a level of financial resources commensurate to their tasks. Banking legislation should be harmonized, particularly with regard to reserve requirements among

the major creditor countries. Governments of creditor countries must also anticipate lower tax revenues due to the losses of commercial banks.

25. It is important to work towards international understanding on a coherent set of measures along the lines set out above, constituting in effect, a General Agreement to Lend.

II.

Development

26. Policies to promote the development of developing countries should take into account the economic situations and objectives of individual countries and strive for appropriate conditions for intensive international co-operation for development. There are no easy, general solutions: progress can only be made step by step.

27. While the debt crisis is the main cause of the recent setback to development in the middle income countries, the deterioration of the terms of trade has also been critical, particularly to many low income countries. Natural disaster and catastrophic climatological conditions have further aggravated the desperate situation of many developing countries. The continuing excessive population growth in many areas implies that per capita income has been falling in many places. A resumption of development will again demand contributions from all the parties involved: from the developing countries themselves, whose own efforts contribute most, from the western developed countries, and from the centrally planned economies.

28. Developed countries, of both East and West, have a singular responsibility to increase trade and aid and to encourage the transfer of technology which is essential to modernisation and adjustment, and thus to exports and the servicing of debt. Recent measures that have curtailed the magnitude of contributions by multilateral organizations to the cause of development are misguided and run counter to the very interests of developed countries. The replenishment of the International Development Association (IDA) should be concluded rapidly and at the level proposed by the World Bank management. This should be done, whether or not all countries are prepared to contribute their previously agreed shares.

29. Initiatives by the management of the World Bank Group to strengthen and enlarge its operations should be strongly supported. In particular, there should be a substantial increase in World Bank capital. The United Nations Development Programme (UNDP), as the central agency for multilateral technical assistance, must have significantly increased support in view of its critical role in assisting developing countries in heightening human skills which is the foundation of effective and sustainable economic development.

30. The developing countries at all levels of development have the principal responsibility for their own development. The experience of a number of East Asian countries has demonstrated the beneficial effects of policies emphasizing human resource development, population planning, exploitation of

the possibilities offered by international trade, and encouraging direct private investment, which is the most efficient way of transferring technology, compatible with the objectives, values and conditions of each country. In addition, developing countries stand to gain substantial dividends from helping each other in a more systematic way, through regional co-operation, and economic and technical co-operation among themselves.

31. The particular problems of the least developed countries require urgent and sustained attention through intensified assistance from the wider world community. There is an urgent need for a rapid increase in concessional assistance to these countries, together with measures in the field of trade and technical co-operation to increase their earnings and strengthen their domestic capabilities.

32. In order to promote a dramatic increase in resources for the deprived peoples of these countries, the InterAction Council intends to launch an extensive campaign so as to mobilise public opinion throughout the world, together with private sector organizations, in particular, corporations and banks.

III.

Trade and protectionism

33. The resolution of the debt crisis, and restoration of sustained global economic growth depend directly upon the trade policies of governments. A large and growing share of world trade, already more than half of all trade, is restricted by protectionist measures or distorted by subsidies. The trend towards protectionism and deterioration of trade relations among nations must be arrested and reversed.

34. Towards this end, determined efforts must be made to restore the effectiveness of the General Agreement on Tariffs and Trade (GATT) and to bring governments back under the multilateral discipline of mutual rights and obligations embodied in the GATT.

35. As a first step, efforts should be intensified to implement already agreed obligations to pursue the work programme of GATT. A new round of trade negotiations could be initiated with the aim of liberalizing world markets, arresting the spread of economic nationalism and protectionism. Such a new round could contribute to restoring confidence in the multilateral approach to the management of trade relations. Until the time, however, that its results can come into effect, other actions with greater immediacy are also needed.

36. As an additional step, the major trading nations should commit themselves to bring all of their import restrictive actions, both formal and informal, into the GATT framework for multilateral scrutiny. They should refrain from any new safeguards or restrictive actions outside the rules of GATT, arresting the present erosion in international discipline and the rule of law, and opening the way for a mutually agreed process of rolling back present restrictions.

37. Developed countries should reduce tariff and non-tariff trade restrictions, particularly on exports from developing countries, and should do so on a non-discriminatory basis. In addition, they should reduce overproduction in certain sectors, such as agriculture, textiles and steel, and refrain from engaging in barter trade. To counter the disruptions in export earnings that periodically occur for those countries dependent on one or few commodity exports, international schemes such as a widened STABEX type arrangement should be developed.

38. If there is significant resistance by some governments to such liberalisation, then an effort could be made, among those countries willing to do so, to explore the outlines of a more co-operative and liberal trading relationship based on agreement among them on a code of liberalisation. Such a code would include commitments that members would not increase protection against other members, that they would eliminate illegal forms of protection, and that they would seek to liberalise all existing restrictions. Such a code would be open to the accession of other states in due course.

39. Consideration could also be given to the negotiation of regional or more broadly based free trade arrangements to reduce gradually the inhibiting effects of protectionism to open the way for trade expansion among them.

IV.

Co-ordination of policy and institutions

40. The beneficial effects, especially to developed countries, of the recent economic recovery in the United States are fully recognized, particularly in terms of increased exports to the United States by other countries and the resulting export-led growth. Such recovery has, however, severe disadvantages and is in any event unsustainable in the longer run. Extremely high real interest rates magnify the debt problem and restrain productive investment and thereby employment around the world. They induce a large net capital inflow to the largest national economy in the world, which is not tolerable on the present scale over extended periods.

41. There is an ever present danger that a loss of confidence in the dollar will precipitate a depreciation that would oblige the Federal Reserve Board to raise interest rates further, risking renewed deep depression. Prompt action to reduce the US budget deficit substantially is therefore imperative for sustainable revitalization of the world economy.

42. Present mechanisms for effective coordination of the economic policies of the major industrialized countries, including summit meetings have recently proved ineffective. Clearly, there is an urgent need to achieve more reliable and responsive inter-governmental co-ordination of economic policies. To help accomplish this goal, the InterAction Council will seek to convey to present government leaders the merits and urgency of such systematic coordination and especially the prompt adoption of responsible fiscal policies by all major powers.

43. International cooperation is also frustrated by institutional rigidities. For example, while there is an intimate interaction between the world trade and financial problems, there is little serious effort to deal with the totality of the present crisis in a comprehensive manner.

44. The fundamental split in economic powers and responsibilities in capitals is reflected in the differences among the multilateral economic institutions. The IMF is focused almost entirely on short-term financial and macro-economic difficulties; the multilateral development banks are primarily concerned with supporting new projects for agriculture, industry, or social and economic infrastructure; the GATT has concentrated its energies on sector-by-sector trade disputes, and on periodic renewal of world-scale efforts to liberalize movements of goods, without regard to capital flows and exchange rates.

45. It is essential to improve cooperation among the major multilateral economic institutions and within the Development Committee of the World Bank. Also, co-operation between GATT and the United Nations Conference on Trade and Development (UNCTAD) should be intensified. The InterAction Council intends to promote support for such co-operation.

V.

International monetary reform

46. Present monetary arrangements, embodying as they do volatile relationships, have not proved generally satisfactory. Discussions of reform are in progress in many fora and no one at present has an overview of the thrust of all these discussions. There is as yet, no sign of the emergence of a new consensus among the major economic powers. The InterAction Council will continue to work for a consensus on monetary reform.

47. The InterAction Council, while continuing to review these issues further, at this stage stresses the following particular issues in the field of monetary reform:

- The need for greater stability between the dollar, ECU and yen, without a freezing of their exchange rates. This must, however, not be achieved at the cost of unsatisfactory domestic performance in the countries involved;

- The need for an annual allocation of a limited quantity of Special Drawing Rights for several years;

- The need to provide for a future increase in IMF resources which might be achieved by arrangements for increased borrowing from governments, so as to allow the financing of medium-term adjustment programmes.

48. Finally, the InterAction Council is fully aware of the importance attached by many concerned parties to the convening of an international conference on monetary, financial and debt issues. It recognizes, as stated above, the need for both immediate measures in response to the present crisis,

and for fundamental measures to re-establish the world systems of money and finance on a sound basis, sustainable over the long term. Short-term and long-term measures must, of course, be mutually reinforcing.

49. The InterAction Council stresses the clear need for a continuing study of all the issues so as to clarify the possibilities for constructive changes and for international agreement on interim and longer term measures. The Council intends to review this matter thoroughly at its next session. In the long run, a greater degree of stability of exchange rates and much greater discipline of governments in orienting their monetary and fiscal policies in relation to their balance of payment situation is clearly indispensable.

VI.

Peace, security and disarmament

50. The complete breakdown of contacts at the top level between the United States and the Soviet Union has led to a dangerous deterioration in the relationship between the two superpowers, aggravating global instability and diminishing the capacity of either country to play a constructive role in regional conflicts.

51. The Council urges the leaders of both countries to re-establish a personal dialogue at the earliest possible date and invites the leaders of other concerned countries to lend their weight to achieve this goal. Even if no result is achieved other than the fact that the leaders of the two superpowers will be getting to know each other, a summit of this kind would serve an important purpose. Communications must be maintained among all governments, regardless of political ideology. The Council believes that proposals to reduce tensions should not be made public before they have been presented to a negotiating partner as this will very likely result in a negative response.

52. An increasing number of developing countries are now diverted by conflict from the essential task of advancing their development. Every effort must therefore be made to avoid an extension of the East-West confrontation to the developing world. Regional efforts towards peace should be encouraged and strengthened, such as those by the Contadora Group in Central America and the Association of South-East Asian Nations (ASEAN) in South-East Asia. The Council expresses its strong support for such efforts, which will not only promote peace and development, but also enhance democratic structures in the countries concerned.



INTERACTION
COUNCIL



INTERACTION COUNCIL

IAC/4

FINAL STATEMENT
Adopted at the Third Session
PARIS
25-27 April 1985

1. Since we last met in May 1984 in Brioni, Yugoslavia, there have been some signs of diminishing international tension. Talks between the United States and the USSR on nuclear and space weapons have started, creating a somewhat improved general climate which we welcome.

Significant economic growth has been achieved in a few countries. Yet the dangerous problem of external debt continues to be a very serious threat to the world economy, although it appears to have been controlled for the time being through rescheduling arrangements, especially for major debtors in Latin America.

2. Despite signs of progress, grave concerns of a political, strategic and an economic nature remain about the future course of the world. The debt problem is still severe pending a long-term solution in spite of the fact that some countries have temporarily resolved their problems. Thirty million lives are at risk in Africa due to drought. Although world emergency assistance has been forthcoming, medium- and long-term solutions are required to prevent re-occurrence.

I - PEACE AND SECURITY

3. Welcoming the beginning of the talks between the United States and the USSR, the Council expresses the hope that these talks will result in concrete agreements. A start must be made to resolve the crisis in the arms control process. An early meeting between the leaders of the United States and the Soviet Union is therefore of vital importance.

4. The arms race is a consequence of the profound differences between, and perceptions of, the superpowers. The roots of such problems can only be addressed at the political level. We assert that possession of nuclear weapons and the growing nuclear and conventional arms race pose the greatest danger to human existence. The Council strongly urges the USA

and the USSR to identify areas of commonality which exist even in the arms field and on which further agreements could be based. For example, both sides should jointly state that they agree that:

- nuclear war cannot be won and should not be fought;
- equilibrium should be sought at lower levels of armaments;
- less money should be spent on armaments;
- stabilizing weapons should be preferred to destabilizing ones;
- they seek equality rather than superiority of forces;
- they respect the other side's legitimate security interests.

5. To instil greater confidence in the Geneva negotiations we recommend that the major nuclear powers commit themselves to a total test ban during the period of talks ^{1/}, strictly adhere to the 1972 Anti-Ballistic Missile Treaty and cease any arms race in outer space. In addition, the Council urges the superpowers in the strongest possible terms to attach the highest priority to the Geneva process so that constructive results, which the world looks for, are forthcoming.

6. Assessing the future potential for arms control and disarmament negotiations, the Council had before it a comprehensive report by Mr. Jacques Chaban-Delmas, based on his conclusions from a meeting of international experts. ^{2/} The Council calls for deep and verifiable reductions in offensive weapons of all types, including nuclear, conventional and chemical arms, aimed at ensuring balanced security at the lowest possible level of armaments.

7. The Council also discussed the aspects of the expiration of the Non-Proliferation Treaty (NPT). It noted that non-nuclear weapons states which are party to the treaty have observed the treaty, whereas signatory nuclear weapons states have not lived up to their obligations. Other states have neither ratified the treaty nor observed the treaty

^{1/} Mr. Chaban-Delmas expressed the view that the Council should call only upon the United States and the USSR to commit themselves to such a total test ban.

^{2/} In addition to Mr. Chaban-Delmas, the following experts participated:
Constantin Ene (Romania), Pierre Lellouche (France), Carlos Ortiz de Rosas (Argentina), Douglas Roche (Canada), John Roper (United Kingdom), François de Rose (France), Eugene Rostow (United States of America), Walter Stützle (Federal Republic of Germany) and Anders Thunborg (Sweden).

provisions. The Council urges all treaty parties to accomplish a prolongation of, and improvement in, the NPT during the forthcoming review conference and urges non-signatories to pursue actions in the spirit of the treaty.

8. In the interest of preventing armed conflicts, the Council urges all states, and particularly the superpowers, to honour fully their commitments under the United Nations Charter and especially, to refrain from the use of force.

9. In addition, the Council calls for:

- regional negotiations to reduce existing imbalances in conventional weapons, to prevent and put an end to existing conventional conflicts in many areas in the world;
- urgent negotiations on a verifiable ban on the production and storage of chemical weapons and the destruction of existing stocks over a reasonable period;
- the development of international technical verification capabilities, such as the establishment of an International Satellite Monitoring Agency.

10. On the occasion of the forthcoming tenth anniversary of the signature of the Final Act of Helsinki, the Council will undertake efforts with a view to gaining acceptance of the Helsinki principles by Albania, the only European non-signatory.

11. The Council emphasizes that confidence among the superpowers, their allies and other countries can be enhanced through agreements in other critical areas of common interest. These might include agreements to prevent the further degradation of the environment, to tackle the deterioration of the earth's atmosphere and to support measures to control the explosive population growth. The Council will address these issues at its next session and develop proposals as to how the interrelated problems of environment, population and development could most constructively be addressed at the political level.

12. General Olusegun Obasanjo presented to the Council the results of a high-level expert group on military expenditures by developing countries. ^{3/} This report concluded that military outlays by developing countries, part of which

^{3/} In addition to General Obasanjo, the following experts participated: Nicole Ball (United States of America), Barry Blechman (United States of America), Liviu Bota (Romania), Olle Dahlén (Sweden), Francis Deng (Sudan), Jacqueline Grapin-Le Goc (France), Hu Zhengqing (China), K. Subrahmanyam (India) and Raimo Väyrynen (Finland).

undoubtedly serve legitimate security interests, also have negative effects on development prospects and tend to aggravate domestic and regional tensions and conflicts. The level of arms expenditures is often not only determined by security needs, real or perceived, but also by pressures from arms producing countries, competition among suppliers and political intervention. Superpower rivalry and the arms race between them contribute significantly to the level of military expenditures by developing countries. Moreover, the transfer of increasingly sophisticated arms to developing countries generates new insecurity and dependence and diverts funds from development activities.

13. Efforts to contain the arms buildup in developing countries can only succeed if they deal with all these factors. All parties concerned need to take effective and co-operative measures at various levels - subregional, regional, national and global - to reduce military expenditures and to liberate funds for national development purposes. Such steps might strengthen security and enhance chances for peaceful coexistence among neighboring countries. There are no global prescriptions for the removal of real or artificial causes of conflict; approaches will differ from region to region and from situation to situation.

14. As proposed in General Obasanjo's report, the Council will promote, through a series of missions, the acceptance of principles which could guide the action of developing and developed countries, both individually and jointly, to reduce armaments expenditures.

15. Specifically, the Council will:

- promote regional or subregional co-operation, which may take the form of non-aggression pacts, mutual restraints on arms purchases and the adoption of confidence-building measures;
- explore possibilities for restraint on arms transfers at the regional and subregional levels;
- propose the establishment of financial stand-by arrangements for regional or subregional peacekeeping operations;
- encourage the adoption of policies governed by equity and justice in developing countries;
- promote the peaceful resolution of domestic and regional conflicts by supporting specific peace initiatives where and when necessary.

16. In Central America, the Council strongly supports the Contadora process. We further recommend that Europe and Japan, together with the United States, take the initiative to offer the support of a far-reaching programme of economic assistance and co-operation which should provide a basis for peace and security without external interference.

17. The Council is appalled by the bloody suppression of the quest for equal rights by the black people of South Africa and their fight against apartheid. The Council considers apartheid as a continuous source of tension and a threat to international peace and security.

II - REVITALIZATION OF THE WORLD ECONOMY

18. Despite recent improvements in some countries there is still cause for concern about the world economy as a result of:

- a) a continuation of low growth and unemployment in the economies of major industrialized countries;
- b) persistent budget deficits of a structural nature in industrialized countries, especially the United States, have led to high real interest rates world-wide;
- c) enormous trade imbalances;
- d) excessive exchange rate fluctuations, particularly of the US dollar;
- e) accelerating protectionist pressures and increasing barriers to free trade (e.g. Government subsidies, closed markets) in many countries;
- f) increasing economic pressure on developing countries because of their indebtedness and high interest rates which impose an intolerable debt servicing charge;
- g) a slow-down in the growth of the US economy coupled with a continuing trade imbalance which exacerbates these problems.

19. Higher rates of interest, greater protectionism, or slower growth could all act as a trigger to set off the debt time bomb.

20. A significant reduction in the US deficit, together with policies to address the central concerns of other countries, such as unemployment, should stimulate economic activity in many countries through lower interest rates, leading to improved growth. A reduced deficit could moreover provide further opportunities for some countries to pursue more stimulatory policies.

21. As a consequence of the above, the InterAction Council urges Governments strongly to support a new GATT round and to recognize that any new round of trade negotiations (including trade in invisibles) will be unsuccessful if excessive volatility and imbalances in exchange rates persist. In view of the magnitude of international monetary aggregates in financial markets, estimated at some 60 trillion dollars, the monetary value of annual world trade in the order of two trillion dollars is relatively small. Since trade negotiations affect only a fraction of world trade, and do not extend to capital movements, such negotiations alone will not remedy the problems of the world economy. The Council is convinced that a new trade round cannot be successful without action on the currency front.

A variety of measures taking balanced current accounts as an imperative should urgently be taken to achieve greater stability in financial flows and currency values. The present massive imbalances and structural problems demand that urgent measures be taken to improve policy co-ordination among the major economic powers, especially within Europe and between Europe, North America and Japan.

22. The Council recognizes that to make quick progress, the two issues - trade and currencies - may have to be treated separately but in view of the points made above, the linkage between international monetary solutions and trade must be explicitly tackled.

23. The debt problem remains a dangerous threat to the stability of the world economy in spite of widespread complacency.

The volume of total indebtedness of developing countries has further risen despite the completion of rescheduling programmes in Latin America. Developing countries debt alone will amount to an estimated US \$950 billion by the end of 1985 requiring annual debt service payments in excess of US \$100 billion. The accumulation of international debt and its resultant dangers to international liquidity are further compounded by debts incurred by industrialized countries and private corporations. In 1984, the participants in the London Summit of the major industrialized countries acknowledged the need to take measures in this area. This recognition of the gravity of the problem has to be followed up by effective and urgent action.

Ad hoc solutions have so far only postponed the problem. An enduring solution (multi-year rescheduling) is required more than ever to solve the debt problem, founded on shared responsibility of the Governments of borrower countries, of lender countries, of the International Monetary Fund (IMF) and of the lender banks, in the common interest of all these parties.

While the scale of indebtedness continues to increase, the capacity of developing countries to meet their obligations is diminishing. Their efforts to meet their debt servicing obligations impede their economic and social development.

24. The Council further stresses its concern about the weakening of the multilateral system of the United Nations, especially, of UNESCO and UNCTAD.

III - INTERNATIONAL CO-OPERATION FOR DEVELOPMENT

25. The problems of least developed countries (LDC) are extremely severe. The Council will promote action along the lines proposed to it by Mr. Ola Ullsten, on the basis of recommendations by a group of international experts. ^{4/} It will advocate among other measures:

- increased aid flows to least developed countries - including aid for technology transfer and the training of specialists - up to the levels agreed, 0.15 % of the GNP of developed countries;

- a reduction in the burden of bilateral debt on the LDC's, for example by the cancellation of bilateral official development assistance (ODA) debt or remission of ODA interest for a period;

- the abolition of tariff and non-tariff barriers of developed countries for goods from least developed countries.

26. The Council calls upon the least developed countries actively to pursue economic reform and balanced economic policies, balanced especially between agricultural and industrial policies so as to achieve increased growth and development.

^{4/} In addition to Mr. Ullsten, the following experts participated: Just Faaland (Norway), Orville Freeman (United States of America), Mahbub ul-Haq (Pakistan), Ivan Head (Canada), Frank Judd (United Kingdom), A.M.A. Muhith (Bangladesh), Jan Pronk (Netherlands), Zul-Kifl Salami (Benin) and Jean-Claude Trichet (France).

27. The tragic situation in Africa requires urgent international action. The Council calls on the international community to demonstrate its solidarity in providing the necessary emergency assistance which is crucial to avert disaster of unimaginable proportions.

28. In order to avoid a repetition of similar disasters in the future it is indispensable that the donor community provide the resources to support a massive medium- and long-term development programme, destined to strengthen human capacities, institutions and infrastructure in these countries.

29. The Council confirms its conviction that the United Nations Organization whose fortieth anniversary will be celebrated this year, plays an extremely important role in the examining and solution of the major problems of mankind - disarmament, security, peace and world development.

PARTICIPANTS

The following members of the InterAction Council participated in the session:

| | |
|------------------------------------|-----------------------------|
| Kurt Waldheim (Chairman) | Austria |
| Takeo Fukuda (Honorary Chairman) | Japan |
| Kirti Nidhi Bista | Nepal |
| James Callaghan | United Kingdom |
| Jacques Chaban-Delmas | France |
| Kriangsak Chomanan | Thailand |
| Mathias Mainza Chona | Zambia |
| Jenö Fock | Hungary |
| Malcolm Fraser | Australia |
| Arturo Frondizi | Argentina |
| Manea Manescu | Romania |
| Hédi Nouria | Tunisia |
| Olusegun Obasanjo | Nigeria |
| Ahmed Osman | Morocco |
| Misael Pastrana Borrero | Colombia |
| Carlos Andres Pérez | Venezuela |
| Maria de Lourdes Pintasilgo | Portugal |
| Mitja Ribicic | Yugoslavia |
| Helmut Schmidt | Federal Republic of Germany |
| Adolfo Suarez | Spain |
| Pierre Elliott Trudeau | Canada |
| Ola Ullsten | Sweden |
| Bradford Morse (Secretary-General) | |

In addition, the following members of the InterAction Policy Board participated:

| | |
|-----------------------------------|--------------------------|
| Sardar Swaran Singh (Co-Chairman) | India |
| Maurice Strong (Co-Chairman) | Canada |
| Huang Hua | China |
| Robert S. Strauss | United States of America |



20 November 1985
RML/bk

HIGH-LEVEL EXPERT GROUP ON INTERRELATED PROBLEMS OF
ENVIRONMENT, POPULATION AND DEVELOPMENT

TOKYO, 2 and 3 DECEMBER 1985

CHAIRMAN: H.E. Prime Minister TAKEO FUKUDA

Informal Note by the Secretariat

Concerns and Activities of the InterAction Council:

- 1) From its inception in 1983, the InterAction Council has concentrated its attention on three central issues: the Promotion of Peace and Disarmament; the Revitalization of the World Economy and Strengthening Co-operation for Development. At its Third Session in Paris in April 1985, the Council pointed to the fundamental importance of population and environmental aspects in relation to development, to world peace and to the sustained revitalization of the world economy.
- 2) The Council specifically identified the possibility that "confidence between the superpowers, their allies and other countries might be improved through agreements in critical areas of common interest, such as: to prevent the further degradation of the environment, to tackle the deterioration of the earth's atmosphere and to support measures to control explosive population growth".
- 3) The Council will address these issues as a major item on the Agenda of its Fourth Session, to be held in Hakone/Japan from 7-10 April 1986. It will develop proposals as to how the interrelated problems of environment, population and development can most constructively be addressed at the political level. Action will be taken following the Council meeting to gain support for these proposals from world leaders and governments through personal contacts and missions by Council members, and also from public opinion throughout the world.
- 4) The Executive Committee of the Council has invited former Prime Minister Takeo Fukuda to chair a high-level Expert Group to develop initial proposals for consideration. Following the meeting of the Group, Prime Minister Fukuda will present the conclusions to a meeting of the InterAction Policy Board to be held in Washington from 24-26 February, and then to the Hakone meeting of the Council in April.



5) The purpose of the Expert Group is to draw on the expert knowledge, the experience and the ideas of the participants to identify practical proposals for action in regard to population, environment and development issues which can be advanced by the Council in April 1986.

6) In this respect, the Council may have three objectives at its Hakone meeting:

a) to make a very short, clear statement on the importance and urgency of increased action on population, environment and development issues, either as part of its Final Statement or as a separate statement.

b) to make a few specific proposals for action on priority issues in this field. This action may be proposed for developing country governments, developed country governments, non-governmental organizations and the international community.

c) to agree on a brief, balanced statement, such as those presented by previous Expert Groups, which may serve as a basis for generating public and official interest and support.

7) The purpose of this informal note is limited to identifying particular points where population and environmental concerns are of special relevance to the objectives of the Council, and to the issues on which it has so far concentrated. A more rigorous and complete presentation of the issues will be found in other supporting documents.

Aspects of Importance to Developing Countries:

8) The importance of coherent policies for population, environment and development has been generally recognized in developing countries, although their situations vary enormously. In many countries, however, the practical difficulties of designing and implementing policies have proved overwhelming.

9) In a significant number of countries - particularly in Africa - policies to reduce the rapid growth of population have not been effectively implemented. Thus, strenuous efforts to raise living standards are continually frustrated by population growth. This point was stressed by the Council at its Brioni meeting.

10) In many other developing countries, particularly those



affected by high levels of debt or substantial deterioration in the terms of trade, immediate pressures and adverse economic conditions have forced cut-backs in essential longer-term programmes. They have been obliged to cut or to postpone essential programmes in such fields as health care, nutrition, education and birth control and improvements in the situation of women on whom such programmes largely depend. Under such conditions, expenditures aimed at vital but longer-term objectives, such as the preservation of the environment are rarely given priority. This concentration on short-term measures in response to the present crisis builds up even more massive problems in the future.

11) Partly as a result of increasing population, the developing countries are confronted with a vast array of environmental problems. These range from massive desertification and the deterioration of soils, to intense pollution of local areas as a result of rapid industrial development without proper environmental controls. The Group will, no doubt, review this wide array of problems where population and environment interact with adverse consequences for human welfare and development prospects.

12) The successful implementation of population, environment and development policies is virtually impossible in the absence of peace within a country. It is, therefore, a precondition, if policies are to achieve sustainable improvement in the quality of life in developing countries, that conflicts within and between them are resolved. The Council has specifically addressed this point in adopting the report of a group of experts chaired by General Obasanjo on arms expenditures by developing countries.

13) Just as development depends on peace, so do the prospects for peace depend on sustained and equitable development. The Council has particularly emphasized this point and, in relation to Central America it has called for increased economic assistance so as to reduce the underlying economic and social causes of conflict.

14) In the longer term in many developing countries, growing populations imply substantial increases in the number of younger people with aspirations for employment, education and an improvement in their standard of living. The absence of such opportunities will lead to social unrest in both rural and urban areas. Very large cities will become a feature of many developing countries, giving rise to major problems of urban and environmental management. This combination of frustrated youth, concentrated into urban areas is a recipe for political instability and violence. Although occurring within developing countries, such developments would have major repercussions for the wider world community.



15) Many developing countries are already suffering drastically from economic stagnation. Economic progress is urgently required to reduce today's problems of poverty, malnutrition, illiteracy and unemployment. But, as the populations of the developing countries increase, levels of economic activities in both agriculture and industry must further increase to provide for economic and social progress in the future. This implies in turn, substantial increases in levels of overall world economic activity, with important effects on the global environment and implications for the availability and distribution of natural resources.

16) The Council has emphasized that sustained growth of the world economy can only be achieved with the full participation of the developing countries. It has also called for increased flows of international investment to the developing countries to stimulate economic growth and to assist them in re-orienting and adjusting their economies to meet the requirements of a rapidly changing international situation. The patterns of economic activity and investment chosen by the developing countries and the selection of technology, have major implications for the environment and for the international distribution of productive capacities.

17) These fundamental constraints and relationships will affect future patterns of trade and investment and the nature of a longer-term solution to the international debt problem, both matters of central interest to the Council.

18) Underlying every aspect of population, environment and development policies in developing countries is the fact that the expertise, human resources, institutions and basic data are inadequate. It is unrealistic to expect, particularly in the least developed countries, that governments can design and implement coherent, sustained policies in regard to population, environment and development in the absence of international support.

19) Even in developed countries it has proved extremely difficult to reach agreement at the scientific level on the causes of environmental problems and at the political level on the policies and budgets to implement solutions. In developing countries, even though the vital importance of an issue may be recognized - such as the destruction of tropical forests - shortage of administrative and operative personnel, lack of knowledge and inadequate institutions may make it impossible to carry through desired policies. In such cases, international support and the exchange of the experience among countries is vital.



Aspects of Importance to Developed Countries:

20) Population, environment and development issues are of central concern to the developed countries both as they directly affect their own societies and economies and, indirectly as they affect the wider world physical, economic and political environment.

21) In many developed countries, the changing age structure of the population - particularly the increasing proportion of the elderly - has important political and economic implications, especially for government spending, labour markets and consumption patterns. Many developed countries are also affected by migration from developing countries - either present or past - which places major demands on social, education and employment policies. Where these policies are inhibited by macro-economic considerations, the result can be domestic unrest and international tension.

22) Viewed more widely, developed countries together will constitute somewhere around 14 percent of world population by the year 2020. In the absence of adequate economic and social progress in the developing countries, pressure for migration to the developed countries will become intense. From its founding meeting in March 1983, the Council has pointed out the need for substantially increased development efforts by the world community if world peace is to be preserved and economic progress sustained in the longer term.

23) In most developed countries, environmental issues are of major concern to important sections of the public. However, for a variety of reasons, they are not fully reflected in government policies. In particular, the pollution of air, water and land leading to the degradation of the natural habitat and to adverse effects on human health, together with the related issues of toxic-chemicals and nuclear waste disposal have become urgent political issues in recent years. Other fundamental issues such as the declining quality and the erosion of soil through intensive cultivation, and longer-term limits on the availability of water, oil and other natural resources increasingly give rise to questions about the sustainability of present patterns of economic activity and life styles in the developed countries.

24) In the developed countries therefore, domestic trends and factors related to population and environment determine to a considerable extent the policies of their governments on other essential matters such as investment and adjustment, trade and protectionism, fiscal policy, international economic co-operation and co-operation for development. In short, attitudes and policies related to population and environment in developed countries fundamentally influence



the reaction of these countries to the problems of interdependence, and thus to the prospects of the developing countries and the structure of the world economy.

25) Beyond these predominantly domestic concerns - which, however, have international implications - the public in developed countries is increasingly aware of global environmental issues such as the longer-term effects on climate of industrial activities and the growing threat to wildlife, to tropical forests and to the oceans brought about by human activities.

26) In recent years, three particular issues have aroused special concern: the debate on the potentially catastrophic climatic effects of even limited nuclear war; the disastrous situation in Africa, in which the results of rapid population growth, environmental degradation, mismanagement and conflict are all too apparent; and the human tragedy at Bhopal which brought home to the public the magnitude of the risks associated with the handling of toxic chemicals.

27) The Council has repeatedly drawn attention to the risks and implications of nuclear armaments. This aspect was the subject of an Expert Group chaired by M. Jacques Chaban-Delmas, considered by the Council at its Third Session. It also has paid particular attention to the problems of the least developed countries most of which are in Africa, especially in a Report by an Expert Group chaired by Mr. Ola Ullsten.

International Aspects:

28) As the Council has indicated, there are strong common interests, shared by the developed and developing countries of both East and West in making every effort to promote the stabilization of world population at the lowest feasible level, thus enhancing the prospects for sustainable social and economic development and world peace. This immediately implies the strengthening of international support for the efforts of developing countries themselves and, particularly the strengthening of international institutions - not a reduction in their resources. As pointed out above, international support is vital, particularly to the poorer countries because of the fragile nature of their own capacities.

29) Increased international support requires a renewed interest and awareness of public opinion in the developed countries of the urgency and seriousness of population issues.



30) In the field of environment, most issues directly or indirectly require international co-operation. They range from truly global problems such as the effects of human activities on the atmosphere and the oceans, to problems which are acute in certain areas of the world but have wider repercussions, such as desertification in Africa, the destruction of tropical forests and the pollution of the Mediterranean.

31) There are opportunities for strengthening co-operation at every level - bilateral, sub-regional, regional and global. At the first meeting of the Policy Board, for example, a proposal was made that the opportunities for co-operation between East and West European countries in the field of environment should be explored.

32) Another aspect, vital for the future, is the increasing competition for essential resources which can be expected within and between countries. Such resources as fresh water, energy, raw materials and, ultimately food and living space, can become -and have in history been - sources of conflict. International markets and price mechanisms will almost certainly prove inadequate to reflect essential interests and longer-term considerations or to contain the political pressures and tensions arising from competing demands. This underlines the need for reinforced international cooperation, but the difficulties of this approach have been demonstrated clearly by past attempts, such as the law-of-the-sea negotiations and negotiations on outer space.

INTERACTION COUNCIL

HIGH-LEVEL EXPERT GROUP ON INTERRELATED PROBLEMS OF
ENVIRONMENT, POPULATION AND DEVELOPMENT

Tokyo, 2-3 December 1985

Speech by Takeo Fukuda

Honorary Chairman

Ladies and Gentlemen,

Thank you very much for taking the time out of your busy schedule and travelling long distances to attend this "High-level expert group meeting on Population, Environment and Development." It is a sub-group of the InterAction Council.

The Council consists of 30 former heads of states and governments around the world who have particular interests in global issues. It was organized over two years ago by several statesmen including former West German Chancellor Helmut Schmidt, former U.N. Secretary-General Kurt Waldheim and myself. We have had three plenary sessions and the next one will be held in Tokyo next April.

Today, world peace faces the greatest crisis in human history. It is threatened both from political and military fronts. Needless to say, the postwar politics have moved in the framework of East-West confrontations. The confrontations in the past decade have intensified. The most important factor contributing to the confrontations is the ever expanding arms race, especially of nuclear arms. It is said that the East and West blocs together have stocks of nuclear arms that can kill mankind 60 times over. Leaders of both the United States and the Soviet Union are aware of the disastrous effects on mankind

when such arms are used. They are naturally making utmost efforts that such will not happen. However, the problem is that these nuclear weapons do exist and there is no guarantee that the deadly arms will never be used. If the arms are used, it will be the end of mankind on the earth. We must not let this happen.

World peace is also shaken from the economic aspects.

The world economic order that had brought postwar prosperity collapsed with the oil crisis of 12 years ago. And the world economy is still in a chaos. In fact, many of the industrialized countries are now suffering from low growth and high unemployment rates.

The U.S. fiscal and trade deficits are not the problem of the United States alone. It is a destabilizing factor for the world economy as a whole. Many of the developing countries also suffer from low growth and inflation. Particularly serious is the accumulated debt problem which should not be left unsolved. Economic uncertainties in any country will lead to social unrests. And those undesirable situations will result in political and military instability. Fundamental improvements to correct the present dangerous world economic situation will be vital to world peace.

The InterAction Council has appealed to the world with our views on these impending issues. But when we consider global problems in the long-term, "population, development and environment" emerge as the most important factor to sustain world peace. While the problems are discussed in other fora

as well, the InterAction Council, committed to world peace, cannot leave these problems unattended.

As you are well aware, the population issue holds delicate and complicated factors. Furthermore, it is closely related to social, economic and other encompassing issues. Thus, the population question requires particularly extensive and cautious responses.

Currently, the world population stands at about 4.9 billion which will reach 6.1 billion by the end of this century. About 80 percent will concentrate in the southern hemisphere. Furthermore, with the intensifying urbanization, it is estimated that 20 of the 25 large cities with over 10 million people will be in the southern hemisphere. Hence, the gap and contradiction between population and development will further widen and accelerate, resulting in a yet wider gap between the north and south. And miseries arising from unemployment, poverty, hunger, and crime will create political and social instability, endangering world peace and prosperity.

In addition, a major environmental change has emerged on our earth.

The expanding desertification and slums, diminishing tropical forests. In addition, destruction of natural ecology, such as pollution of forests, lakes and rivers is caused by inadequate environment management. These serious problems are not solvable by one nation alone.

Fukuda speech-4

Issues encompassing population, development and environment are closely linked to the well-being of the entire mankind. It can be said that it is a pre-requisite for our survival. The mankind's fate depends on how we cope with this problem.

The InterAction Council plans to discuss these issues at the next plenary session in April. And we would like to have advices and views of the renown experts on these issues present today.

I am confident that the meeting will be a very fruitful one. Thank you.

Speech by Rafael M. Salas,
Executive Director of
the United Nations Fund for
Population Activities, at the
to the High-level Meeting of the
Inter-Action Council,
Tokyo, Japan, 3 December 1985

Current trends in population - implications for development

The forty years of the United Nations have seen a profound change in the nature of international politics. Since 1945 a hundred nations have been added to the international community. They have pushed into the foreground the questions of development and the quality of life which are the prime concerns of the vast majority of the world's population.

The achievement of the United Nations system has been to accommodate these concerns alongside the great issues of international security, disarmament and peace. Its efforts have produced a mechanism for achieving consensus among governments, one result of which has been a system of multilateral co-operation free from the complications of bilateral politics. Through this system the international community has been able to channel resources and expertise, to help in the work of development.

Population has taken its place among these areas of international action only in the last eighteen years. Historically it has been among the most sensitive of issues, on the personal as well as the national level. When a Trust Fund for Population Activities was first set up by the United Nations in 1967, controversy and uncertainty were by no means at an end.

Since then we have come a long way towards fashioning a global consensus. Consensus does not imply a single population policy for the world. From the earliest days of UNFPA the principle has been that each country determines its own view of its population situation and its own responses. The function of UNFPA has been to encourage and assist this process, but never to direct it.

The World Population Conference at Bucharest in 1974 was the first true test of this approach. After two weeks of intense, sometimes stormy debate, a consensus emerged. This stated explicitly the principles which have guided our practice ever since. First, population is an aspect of the wider issue of development and can be considered only in connection with it. Second, each Government has the sovereign right to its own conclusions with regard to population and acts according to its own view of national circumstances. Third, the principle of individual freedom of choice is acknowledged: it is for each individual and couple to decide on the size and spacing of their family.

Acceptance of these principles marked the formal resolution of the long controversy over population. But more important, they were the foundation on which a true and lasting structure of international co-operation could be built.

In the ten years which separated Bucharest from the International Conference on Population in Mexico last year, UNFPA continuously urged that Governments should commit themselves to programmes in population. The change in their attitudes was clearly seen at the Mexico City Conference. There was unanimity among the 146 countries gathered there on the importance of population in development. There was consensus on the subject of population as a matter for government policy, and on the need for governments to intervene effectively.

Today, as the Conference showed, population is firmly established on the agendas of national governments and the international community. Particularly in developing countries, interest has reached a new peak. Every day brings fresh statements by national leaders, new government and private sector programmes, media coverage of population events.

As the Conference recognized, commitment is visible in more and more countries through the increasing proportion of national resources devoted to population programmes. The help which UNFPA and bilateral programmes provide is multiplied fourfold by the resources of the developing countries themselves.

The increase in resources for population programmes would not be possible without the ability to invest them effectively. During the brief existence of UNFPA, population programmes have moved from theory to practice, from ideas to action. Many countries can show practical results in the form of increased lifespans and healthier families. During this period, fertility rates in developing countries have also declined.

UNFPA was able to assist in proving the effectiveness of action on the ground by following the principles of sovereignty and autonomy adopted at Bucharest. Conditions in developing countries vary so much that there can be no universal models for demographic or family health programmes. Flexibility is needed in order to respond appropriately to needs expressed by countries. With these conditions in mind, UNFPA has been able to establish programmes in many areas.

Let me give some examples. In 1970, only a handful of Asian countries taught population as part of the school curriculum: today more than twenty either teach or have plans for teaching it. Population education was a sensitive subject, particularly in schools. In co-operation with UNESCO and with governments, UNFPA has demonstrated how the subject can be introduced into school curricula in complete harmony with national or religious feelings.

Outside school too, UNFPA has been able to help break down barriers to frank discussion of population growth and its implications. Now, with UNFPA help, family planning is one of the themes in a highly successful television drama in India. With UNFPA assistance, it is the subject of radio programmes throughout the region. The entire subject of population - urban growth, aging, the status of women as well as population growth and family planning - has been opened up for discussion. At the government level, development plans are now routinely examined for their population implications and none is complete without at least a reference to population. With UNFPA support, several countries are working on the complete integration of population in development planning.

UNFPA has assisted many countries in their efforts to slow population growth. These countries include some, for example China, Indonesia, Thailand and Sri Lanka, where programmes have been conspicuously successful.

The result of the efforts of the developing countries is that there has been a marked reduction in birth rates, and hence in general rates of population growth. In many countries, demand for family planning runs beyond the ability of governments to supply it.

This is attributable partly to economic development and changes in social conditions. But it is also the result of heightened awareness of population issues.

The downturn in population growth rates which many developing countries are experiencing is, for the first time in history, the result of intelligent, purposeful intervention. It is possible to plan for future growth and to match growth with available resources in a way never before seen on our planet.

But population carries its own momentum. Under any circumstances growth is likely to persist, perhaps for another ninety years. Changes in population distribution are equally long-term. For this reason, more perhaps than in any other area of development, successful intervention in population depends on long-term commitment. Action now produces results which will be seen by generations far distant from our own.

We have not yet succeeded in devoting enough of national or international resources to the solution of population problems, nor in allocating them so effectively that such tragedies as the recent one in Africa will not recur. Yet the overall experience of developing countries in the last fifteen years shows that success is possible.

In most developing countries, population assistance from external sources is a small fraction of domestic investment. It still has a part to play, however. There are still important areas left for innovation - new programmes are needed in aging and urbanization for example - and there are some to which more attention could usefully be paid, such as the status of women. There are unmet needs among certain groups of the population, such as isolated rural communities and the urban masses.

UNFPA has helped both the development of concepts of population and their practical expression. But perhaps its most important contribution has been to the global consensus. The debate on an international plane has raised awareness and reduced controversy by demonstrating wide areas of common interest among developed and developing countries. Successful national programmes have demonstrated that common interest could be translated into human terms. Nearly all developing countries now have population programmes designed to match their social and cultural conditions.

It is the responsibility of UNFPA to stand prepared to meet new needs as they are identified, and to help governments to formulate the appropriate response. It is the responsibility of the international community to help increase the resources going into population programmes and improve their effectiveness. The ultimate goal of all population policies and programmes, as I have often stated, is to preserve human life and improve its quality without offence to human dignity.

In this anniversary year of the United Nations, we may feel some satisfaction at the distance we have come; but we are well aware of the long road we have yet to travel.



THE INTERACTION COUNCIL

The InterAction Council is unique in bringing together in regular, action-oriented meetings, some thirty former heads of government - from the OECD-area, from the centrally-planned economies and from developing countries in all regions of the world.

OECD-area:

Helmut Schmidt, Chairman
Takeo Fukuda, Honorary Chairman

F R G
JAPAN

Giulio Andreotti
James Callaghan
Jacques Chaban-Delmas
Malcolm Fraser
Kurt Furgler
Adolfo Suarez
Pierre Elliott Trudeau
Ola Ullsten
Andries van Agt
Kurt Waldheim

ITALY
UNITED KINGDOM
FRANCE
AUSTRALIA
SWITZERLAND
SPAIN
CANADA
SWEDEN
NETHERLANDS
AUSTRIA

Bradford Morse, Secretary General

Developing Countries:

Ahmadou Ahidjo
Kirti Nidhi Bista
Kriangsak Chomanan
Mathias Mainza Chona
Arturo Frondizi
Selim Hoss
Michael Manley
Hedi Nouria
Olusegun Obasanjo
Ahmed Osman
Misael Pastrana Borrero
Carlos Andrés Pérez
Maria de Lourdes Pintasilgo
Léopold Sédar Senghor

CAMEROON
NEPAL
THAILAND
ZAMBIA
ARGENTINA
LEBANON
JAMAICA
TUNISIA
NIGERIA
MOROCCO
COLOMBIA
VENEZUELA
PORTUGAL
SENEGAL

Centrally-Planned Economies:

Jenö Fock
Manea Mănescu
Mitja Ribicic

HUNGARY
ROMANIA
YUGOSLAVIA



*INTERACTION
COUNCIL*

- The InterAction Council is an independent international initiative which aims to promote progress on a number of vital world issues in three main areas:

Peace and Security;
Revitalization of the World Economy;
Co-operation for Development.

- The members of the Council are former heads of state or government, many of whom remain intensely active in world affairs. Their practical experience guarantees the realism of their proposals.

- The Council draws its membership from every region of the world, reflecting the reality of interdependence among nations. It is primarily concerned with promoting urgently required action rather than with producing reports and recommendations.

- To strengthen its international coverage and the substantive basis of its proposals, the Council has established the InterAction Policy Board. (see below)

- To gain public support and interest for its proposals the Council has also created the InterAction Communications Committee bringing together some twenty-five personalities from the media.

- Through the membership of these three groups, the Council, the Policy Board and the Communications Committee, the InterAction initiative has access at the highest levels in over fifty countries.

- Preparations are now in progress for the fourth plenary session of the Council to take place in Japan from 7-10 April 1986 and for the second meeting of the Policy Board to be held in Washington from 24 to 26 February 1986.

The Council is not only interested to agree on concrete proposals but also to advance these proposals in practice through informal personal contacts at the highest levels. It will also send missions to the capitals of key countries for direct contact with heads of government, legislators, business leaders, interest groups and the media.



INTERACTION
COUNCIL

Small expert groups provide the basis for thorough policy discussions. Four such groups have met so far:

| <u>SUBJECT</u> | <u>CHAIRMAN</u> |
|--|---------------------------|
| 1) Monetary, Financial & Debt Issues (Wolfsberg, May 1984) | Helmut Schmidt |
| 2) Increased Assistance to the Least Developed Countries (Ottawa, December 1984) | Ola Ullsten |
| 3) Military Expenditure by Developing Countries (Wye, March 1985) | Olusegun Obasanjo |
| 4) Nuclear Armaments & Security (Paris, April 1985) | Jacques Chaban- Delmas |

A further group will meet under the chairmanship of Takeo Fukuda in early December 1985 on "Population, Environment & Development".

* * * * *

The Council has met three times: in Vienna/November 1983, in Brioni/May 1984 and in Paris/April 1985. It will meet again in Japan in April 1986. The Policy Board has met in Barcelona and Madrid from 16 to 18 January 1985 and the Communications Committee has met in June 1985 in Tokyo.

The Council is established as an independent international organization and is financed by contributions from governments and individuals. It has offices in New York and Vienna.



INTERACTION COUNCIL

To strengthen the substantive justification for its proposals and to broaden its political base, the Council has established the InterAction Policy Board. This brings together a further thirty world personalities from government, business and banking, trade unions and the academic community.

OECD-area:

Vicomte Etienne Davignon
Melvin Laird
Federico Mayor
Hans Merkle
Isamu Miyazaki
Mario Schimberni
Thorvald Stoltenberg
Robert Strauss
Maurice Strong
Emile M. van Lennep

BELGIUM
U S A
SPAIN
F R G
JAPAN
ITALY
NORWAY
U S A
CANADA
NETHERLANDS

Developing Countries:

Ahmed Khalifa Al Suwaidi
Roberto Campos
Jorge Castaneda
Bernard Chidzero
Dafalla Elhag Yousif Medani
Huang Hua
Bala Keita
Tommy Koh
Widyoyo Nitisastro
Shridath S. Ramphal
Mahmoud Riad
Ghazali Shafie
Hyon-Hwak Shin
Sardar Swaran Singh
Mamoudou Toure
HRH Prince Turki Ibn Abdul Aziz
Manuel Ulloa
Layachi Yaker

U A E
BRAZIL
MEXICO
ZIMBABWE
SUDAN
CHINA
IVORY COAST
SINGAPORE
INDONESIA
GUYANA
EGYPT
MALAYSIA
SOUTH KOREA
INDIA
SENEGAL
SAUDI ARABIA
PERU
ALGERIA

Centrally-Planned Economies:

Bohdan Lewandowski
Ernst Scholz
Janko Smole

POLAND
G D R
YUGOSLAVIA

Consultations are in progress to complete the membership of the Board, notably with participants from France, Kuwait, the United Kingdom and the USSR.

KEEPING OUR EARTH ALIVE*

by Edward S. Ayensu**

Introduction

It is a distinct pleasure and a great honour to address you on a topic that should be of enormous concern to us all. Indeed, I draw my theme from a book of which I am joint author with an epilogue by Mrs. Indira Gandhi. She summed up her messages as follows: "Human beings can thrive only in a green and living world".

"Keeping our earth alive" is the business of everyone who resides on this planet. And it is a complicated business: just how complex is suggested by the two questions posed to me when I was invited to address this plenary. First, "What happens to our environment if we continue the present trends of exploitation without due care for the future?", and second, "What should we do to improve the quality of the environment by taking into consideration the economic realities of the times?"

If I were pressed to answer these two questions in a phrase, the words might be "Conservation for Production", a motto in current use among many economic botanists and other scientists, and an increasing number of conservationists.

* Presented at the E.M.F. Foundation, Davos Symposium on 5 February, 1985, in Davos, Switzerland.

** Professor Edward S. Ayensu of Ghana is Senior Scientist, formerly Director of Biological Conservation, Smithsonian Institution; Secretary General of the International Union of Biological Sciences (IUBS), and Chairman of the African Biosciences Network of ICSU.

Also, I want to turn this idea around and say, "Production for Conservation". It is important to realize that so much of the present economic exploitation of the tropical forests and desert areas of the developing world is not only remarkably damaging, but also highly inefficient. In the Sahel, for instance, desertification starts at the settlements themselves and spreads outwards in a process that is far more common than an encroachment of the Sahara across a broad front that we so often picture in our minds. And only a few centuries ago, this same Sahel was noted for its vineyards and orchards. There is no doubt in my mind that through enlightened business practices we can work together to reclaim much of the formerly productive land in the Sahel.

Here, as in other areas that have suffered from previous harm, the economic purpose must be primed. It is in this process that we see business contributions to what I have called "Production for Conservation". Help must come from the outside world and not just as emergency supplies of food for victims of famine. Ultimately, the business community of the world can help create the means whereby famine need never again visit the Sahel and many other regions. Of course, we recognize that for several African countries, famine has and is being used as a political weapon. And incidently, the subject of conservation itself has become so politicized that in come countries it has led to the creation of a new generation of politicians.

Yes, keeping our earth alive -- keeping our world green and living so that humans may survive is a most difficult proposition.

On this note we have all observed over the past two or more decades, a continuing and highly emotional international debate over environmental conservation or the lack of it. This subject has become so charged with seemingly

irreconcilable attitudes that in a number of developing and developed nations it has led to political polarization. Quoting again Mrs. Ghandi, "There is not and has never been any contradiction between conservation and development. The two must go together".

While my point of view has been implicit in what I have said, now I would like to make it explicit. This position has grown and developed during the years that I served as the Director of Biological Conservation at the Smithsonian Institution and from almost continuous travel and discussions in all parts of the world over the past decade and a half. I personally believe that the land and the waters were and are meant for us to use, but to use them judiciously. For some areas of priceless genetic endowment, however, total preservation probably makes the most economic sense for the long run. The paradox of our using the natural resources of this environment and at the same time ensuring that we conserve these resources, is the very essence of human survival. I might even say that the most efficient use of our resources is the highest kind of conservation of nature and nature's gifts.

For far too long the state of our environment has become a contentious issue between the so-called environmentalists and the business community. The result is that we are losing sight of the necessity for all of us to work together to protect this earth in which we live. I believe we possess the collective knowledge to ensure the continuity of our stewardship, protection and repair of our planet. I also believe the time has come for both the business community and the environmentalists to engage in some serious soul searching which may result in the mobilization of a common objective: to use, conserve, and protect the environment. I have always believed that it is the job of the scientific community

to make discoveries and to provide information which will improve the quality of our environment, but it is the business community which has the knowledge and capacity to implement these results -- be it the cleaning of the atmosphere or serious tree growing.

To the business community I would like to say that the natural resources which we are using today are the product of natural forces working billions of years. Nature itself is a "business" that has been turning a profit for centuries. While there is no doubt that we can continue to exploit these resources without much fear of running out of everything, there is also no doubt that the current, very rapid, decimation of the world's natural resources, particularly the destruction and thoughtless conversion of the tropical moist forests will change the ecological balance, and sooner rather than later. Therefore, if present trends continue, the cost of human suffering to future generations will soar, making the sights in Ethiopia and elsewhere look like mere child's play.

To the avid environmentalists, may I say that I sympathize with your cause and understand your frustrations. But your uncompromising utterances, so many of which suggest that the business community should not exploit any part of the environment or even convert portions of it for human use, have created a hypocritical posture largely devoid of realism and meaning. If such hardline philosophy is followed to its logical conclusion, it will only antagonize those in the business community who are equally concerned with the conservation of our planet, and who are willing to do something positive to maintain its integrity for future generations. I further believe that the worst hardcore exploitations are very often from the developing nations. So called responsible people from these nations thoughtlessly sell out their patrimony to foreigners from the developed world. I think it is time for such partnerships to be re-evaluated.

I would like to call your attention to situations that often lead to totally unnecessary conflicts. It is the general practice of the business community to undertake development projects under the most advantageous terms possible. However, on occasions the site selected for a development project may be ecologically unsuitable. An initial assessment that includes ecological and environmental considerations can assist in suitable siting and timely modification of design. Sustainable profit with a minimum of environmental disruption can be the ultimate answer. Unfortunately, this practice of involving environmentalists in project design, and from the very beginning, seems to elude several companies. Thus when a project is almost completed, the environmentalists often seek an injunction against the continuation of the project in question, and enter into long litigations, inexcusable expense, and the creation of unprofitable human relations which are more damaging, in many cases, than the ecological imbalance which the project might even cause.

The State of the Environment

Beyond the environmental debate and the now almost stylized skirmishing there are some deadly serious problems that we must face. There is no doubt that the current rate of exploitation of the earth's natural resources is great, and accelerating as the world's population increases. This is particularly true in parts of the world where current human conditions clearly signify that life is neither satisfying nor humane. Let us examine only forestry, just one economic sector, and its profound influence on the all embracing livelihood of many of us, the people of the world.

Due to rapid population growth and the increasing demand for farm and grazing lands, as well as lumber, many millions of hectares of forests have been

cleared or converted to other uses. There have been few attempts to reafforest these cleared areas. Such neglect has brought about major, often permanent damage to some 150 million hectares of tropical watersheds. This environmental degradation frequently leads to flooding or drought, loss of genetically valuable plant materials, famine, and destruction of nature's balance. FAO estimates clearly demonstrate that at least four million hectares of "open, i.e., dry forest" is lost annually. Add to this the total disappearance of "tropical rain forests".

On my own continent of Africa, shifting cultivation by rather inefficient slash-and-burn techniques has caused widespread damage, perhaps 10 percent of the total loss of forest cover. The worst is encountered in my own home region of West Africa, where more than half of Africa's deforestation is taking place. The situation is getting so serious that within the next few decades a country like the Ivory Coast, which had some beautiful species-rich forests, and today is one of the world's most active timber exporters, will have practically no marketable timber left, and will indeed have to import timber from other countries.

Throughout my travels in the developing countries, I have stressed again and again the fact that while the tropical forests are being destroyed, the forest areas of the developed nations are being stabilized and in many countries are actually increasing. It is, therefore, essential that the developing countries learn some lessons from the forestry planning policy of the industrialized nations which have managed to increase the productivity of their forest resources and to ensure domestic self-sufficiency, particularly in industrial round wood supplies.

I have also stressed that in addition to the efforts and improvements that have become the hallmark of forestry in Europe, North America, and Japan, the Western European region, for example, continues to import forest products from

the tropics to the tune of US\$25 billion annually. Japan alone imports US\$10 billion worth of forest products.

There are many people in the developed countries who are oblivious to their dependence on tropical forests, and the fact that loss of these forests will change their way of life. I have often tried to impress upon many in the developed nations that their widespread dependence on the richness of the tropical forests can be seen within the context of a wide array of industrial, pharmaceutical, and other products.

We derive so many goods from the world's moist tropics because of the wondrous diversity of species. For instance, in one hectare of the Amazonian forest, we could encounter as many as 230 different species of trees, but within the same area in a European forest, we might encounter no more than only 10 to 15 tree species. As a result, so many essential oils, exudates, gums, latexes, resins, tannins, steroids, waxes, esters, acids, phenols, alcohols, pesticides, dyes, medically useful alkaloids, and other classes of chemical substances come from tropical rain forests. These products are the bases of so many food items, cosmetics, sedatives, insecticides, polishes, and even golf balls. Just remember your first cup of coffee or tea this morning and think for a moment as to where the coffee beans or the tea leaves originated.

I do not wish to belabour the point, but it is important to recognize that there are, for example, as many different kind of plants and animals in the small country of the Republic of Panama as there are in all of Europe. Equally impressive is the fact that there are nearly as many fish in the drainage basin of the Amazon River as there are in the whole of the Atlantic Ocean.

It seems, therefore, that purely pragmatically it is in the best interest of the industrialized nations to ensure that the current rate of deforestation in the tropics is seriously regulated and properly monitored. Furthermore, it is absolutely essential that the developed nations work very closely with the developing nations to take into consideration the kinds of environmental measures which when properly handled, could lead to a more sustained type of usage of the natural resources from these regions. Without such cooperation, the developing nations will end up making short-term gains by over-exploitation of their natural resources. Such a situation would naturally lead to considerable destruction of the environment. And yet, if properly exploited, the tropical regions of the world will continue to represent a potentially inexhaustible source of natural resources for human use. The developing nations of the tropics will certainly benefit from their natural resources endowment, but the beneficial ramifications in the economies of the developed world will go without saying. We should not lose sight of the fact that the multinational corporations alone have invested some US\$160 billion in the developing countries, and would like to get something back for such substantial investments. It would appear, therefore, that it is mandatory for the international business community, as a purely entrepreneurial necessity, to take this message to heart.

Problem of Acid Rain

As I intimated earlier, the forested areas in the developed world have been stabilized and, indeed substantially increased during this century. For many years forestry policy planners of North America and Europe have been congratulating themselves on the increased productivity of their forest resources. However, at the time that scientists were collecting evidence to prove that air pollution, resulting from sulphur and nitrogen oxides, was being transformed in the atmosphere and falling to earth as acid rain, and that the acidification of lakes in

Scandinavia, eastern North America, and especially Canada, was becoming a serious problem, little did the foresters in Europe and North America realize that their well-managed forests, nurtured over many decades, were equally being destroyed by acid rain.

It is estimated, for example, that in 1982, over 560,000 hectares, representing 8 percent of forests in the Federal Republic of Germany showed considerable damage. A nationwide survey conducted the following year showed that one-third of the forests was affected. Estimates of the fir trees show that while 60 percent was damaged in late 1982, more than three-quarters were badly affected in 1983. And the figures keep mounting.

Without citing more examples it is important that we recognize that during the last three decades or so, there has been a marked increase in the acidity of rain and snow in the industrialized nations. In North America and Europe the annual average pH of precipitation is between 4.0 and 4.5 while the pH of an unpolluted rainfall is 5.6 and above.

It seems obvious that in Europe, for example, sulphur dioxide emissions, resulting from industrial and other human activities, have increased substantially during the past three or four decades. Various studies have shown that the average height of the stacks at power plants using fossil fuel have tripled. It is believed that the higher the stacks the better the dispersion of power plant emissions. Most people are unaware, however, that the longer sulphur dioxide travels and stays in the atmosphere, the more likely it will be oxidized into sulphuric acid and return to earth as acid rain.

But perhaps the most controversial of all the topics concerning

environmental quality is carbon dioxide. What everyone agrees is that, since man began burning large amounts of fossil fuel over a century ago and cutting down forests, the concentration in the atmosphere has gone up. There is no doubt about that. Nor is there any doubt that at some point it will begin to cause a warming up of the globe but how much and when - there is the doubt. Scientific opinions range from those who think we should study new ways of building dykes to stop rising sea levels from melting ice caps from drowning our capitals - to those who think it is a good thing anyway because otherwise we shall have an ice-age. And of course it is said that Third World countries might benefit more than others, so you can imagine the political implications.

Technological Innovations and Environmental Safety

The question we need to ask here is that with all the technological innovations at the command of the industrialized world today, is it necessary for us to accept the pollution of the environment and especially the destruction of these highly nurtured forests of Europe and America? I believe that the answer must be emphatically "no".

I recently read an article in the International Herald Tribune which reported that more firms are using computers to track chemical leaks. About a year ago a chemical spill occurred in a plant near Baton Rouge in the state of Louisiana, U.S.A., sending a cloud of toxic and noxious gas of a chloride origin into the atmosphere. A computer system installed some two years earlier in this Kaiser Aluminum and Chemical Corporation plant, predicted the concentration of the cloud of gas on a screen in the plant's emergency-response centre, and printed out the telephone numbers of the police and fire departments, hospitals, and other agencies that would be needed during an emergency. The spill which occurred at 6:00 p.m. was contained within 10 minutes by the plant workers and the 100

families evacuated from nearby were back home by 7:00 p.m. No injuries were reported. You will be interested to learn that the cost of such a system is between US\$60,000 and US\$100,000. No doubt you can imagine the number of lives that such a small amount of money can save.

The most recent major industrial disaster in the Union Carbide pesticide plant in Bhopal, India killed at least 2,500 people according to official sources and 10,000 reported on good authority. It also affected over 100,000 others. This unfortunate accident should give us all a great cause for concern. The problem was caused by clouds of lethal methyl isocyanate gas. The incident has reinforced and, in fact vindicated, the demands made by avid environmentalists who have been calling for the adherence of stringent environmental laws within the operations of the multinational corporations doing business in the less affluent nations.

The lesson this tragedy provides is that regardless of the cultural differences of nations, the safety standards of the developed world's industrial complexes which handle deadly chemicals should be applied in the industrial plants in the developing countries. We want to avoid even the suspicion that multinational corporations place low premiums on the lives of the less affluent societies and that because of some restrictive national regulations from the developing countries there is lack of motivation by the multinationals to ensure adequate measures to protect the people who work at such plants. Although I am not familiar with the safety regulations and the kind of early warning systems which exist at the Bhopal plant, I can only emphasize that an investment in the most up-to-date computer systems which can track down such leaks and give emergency personnel the chance to nip such tragedies in the bud is surely cheaper than the compensation which Union Carbide will have to pay to the bereaved families and the injured. Even more important is the salvation of the many lives

that inhabit and work in such vicinities.

I cite these examples only to demonstrate that such small investments can protect the business community from recriminations from the conservation-oriented groups, and show the world that self-policing is working. It is also the responsibility of governments in the developing countries to ensure that their national industries follow equally stringent regulations especially where deadly chemicals are concerned. But above all, the governments should not under any circumstance allow the siting of industrial plants processing hazardous substances in areas with high density human populations. This should apply equally to national and multinational industrial plants.

The International Scientific Community

and

The Quality of the Environment

Acid Rain and the Developing Countries

The problem of acid rain and the emission of pollutants from industrial plants and motorized vehicles using fossil fuels are becoming such a major issue that the International Council of Scientific Unions' (ICSU) Scientific Committee on Problems of the Environment (SCOPE) has undertaken a new project to assess the problem of acidification in tropical countries. The objectives of this study are:

- to investigate the degree to which acidification is already a problem in tropical countries;
- to assess the potential for occurrence of harmful effects in the future if emissions of sulphur and nitrogen oxides were to increase and to identify susceptible areas in relation to soils and ecosystems;
- to investigate the need for monitoring the status of the environment so that possible changes can be detected in an early state; and

- to stimulate research and training related to acidification in tropical countries.

Disposal of Toxic Wastes

Another topic which is equally engaging the attention of the international scientific community, and should be of enormous concern to the business world, is the question of the disposal of toxic wastes. Without going into details of how toxic wastes are generated and by whom, I would like to call your attention to a series of meetings recently organized by ICSU on this topic. The report of the group charged with the responsibility of reporting on the whole problem of the disposal of toxic wastes concluded that:

- man-made toxic materials are everywhere. No place on earth has zero values;
- much of the waste can be recycled usually to the profit of the industrialist;
- even so there will be probably a hard core residue to be kept isolated from the biosphere. Time spans range from decades to centuries;
- landfill is the preferred option but in the long term that is difficult, if not impossible, because of danger to ground water;
- in general, present technology is adequate for safe disposal, but laws and enforcement are not.

It is my belief that when the ICSU studies are completed, and when the newly created and most promising **World Commission on Environment and Development** completes its in depth assessments, they will provide lessons not only for the developing countries which are in a state of helplessness and frustration about their environments, but will also benefit the industrialized nations.

Conclusions

Finally, let us return to those two important questions brought up at the beginning of my address. The first is "What would happen to our environment if we continue the present trends of exploitation without due care of the future?", and the second is "What should we do to improve the quality of the environment by taking into consideration the economic realities of our times?"

I believe these two questions will have as many answers as there are people on earth. I would, however, like to stress that taking measures to ensure that the earth in which we live is in very good repair is an expensive business, but it is certainly the most cost-effective investment that we can make today to ensure the very survival of our planet not only for our use, but also for future generations.

Short-sighted economics which result in the procrastination of sound environmental policies will come to haunt us. The future of our earth is certainly in the hands of those whose activities impact on the environment in more ways than one. However, we all - individually and collectively - create the economic realities with which we live, by which we live, and which will ultimately either bring us economic freedom or economic slavery. But a display of the enormous ingenuity and resolve of the business community coupled with appropriate policies by both developing and developed countries' governments will certainly be financially rewarding and, at the same time, will help to keep our earth alive. These are the only dues that we have to pay for membership on this planet.

Thank you!

PATTERN AND IMPACT OF DROUGHT IN THE SAHEL COUNTRIES

Edward S. Ayensu

1. The successive severe drought years ^{1/} and the widespread degradation of the environment and the overall impact of human activity on the resource base in the Sahelian countries, have brought about a growing sense of drift and uncertainty among the people and governments of this African region. The problem facing these drought stricken countries is, therefore, the result of the progressive decline of a combination of factors including the climate, economic, social and political conditions.

From the very outset I want to state that although some people and governments in Africa have used the weather as an excuse to cover failures of policy, this does not invalidate the enormous difficulties under which African agriculture operates. There is a degree of variability of rainfall not generally experienced in temperate zones. In some regions, clearly outside the Sahara, rain has not fallen in years. African farmers in these areas have always existed in precarious balance with their harsh environment.

2. In 1978 I participated in the work of an Advisory Committee on the Sahel created by U.S. National Academy of Sciences, Board on Science and Technology for International Development at the request of the U.S. Agency for International Development. The Committee conducted two studies: Environmental Change in the West African Sahel (1983) and Agroforestry in the West African Sahel (1983), which focused on the formulation of long-term environmental strategy for the region. The results of the studies brought home very clearly the difficulties and the opportunities that abound in the region. The studies also revealed the untenable nature of the situation as it exists and as it will continue to be until we break the pattern of environmental and economic disintegration.

3. Those of us who have had the opportunity of travelling and conducting field studies in the Sahelian countries are aware that agriculture is by far the most important sector that influences the social and economic livelihood of 70 to 90 percent of the people. The gross domestic product (GDP) ranges from 22 percent in Senegal to 42 percent in Gambia and Mali. Agricultural exports account for 50 to 90 percent of the Sahelian foreign exchange earnings except Cape Verde. The economic activities in other sectors are also dependent on the agricultural sector. But because of the almost total dependence on rainfed agriculture, which covers 96 percent of the cultivated area, those in the region cannot overcome the most unsettling significant annual variations in the agrarian and therefore their economic performance.^{2/} The highly variable rainfall which affects the landscape during the dry and wet seasons within a year has undermined the people's ability to plan ahead, let alone to have some control over their environment.

4. There are, however, four fundamental problems that the countries of the Sahel have to overcome. First is the poor quality of the soils and the loss of arable land. This is followed by limited access to water for domestic and agricultural purposes. Third is the inadequate educational facilities for, and levels of the people. The fourth factor compounds the others. It is the pursuit of inappropriate policies, especially the lack of resolve by all concerned to help the rural populations who should (but do not) produce the bulk of the food that is required to feed the urban areas.

It must also be realized that many of the Sahelian countries face immediate difficulties that must be overcome. Presently the countries are so over-burdened with debts that government expenditure and investment are severely limited. These debts are the result of poor agricultural productivity, rising costs of food imports, the drop in world prices for export commodities resulting from the global recession, and expansive governmental fiscal and development policies which favour the urban centres. For example, the debt servicing in Cape Verde has quadrupled from the 1980-83 average. This has been brought about by major

infrastructural investments undertaken since 1979. Niger's foreign debt now represents about 40 per cent of gross national product (GNP). Also, the strength of the U.S. dollar has actually affected the real debt significantly. The inability of the countries to service their debts has resulted in debt rescheduling and standby credit from the International Monetary Fund. Furthermore, the debt servicing difficulties have not permitted these countries to make any step by step adjustment back into credit-worthiness and thereby achieve a steady growth.

5. The 1983 cereals production of 4.9 million tons in the Sahelian countries was far below the present consumption requirements of 6.4 million. The poor harvests that necessitated the need for large food imports reduced the capacity of the countries to pay for them. Some recovery in world prices should help offset the decline in export volume for groundnuts, livestock, cotton and other commodities. It is however instructive to note that an estimated 42 percent of the region's 1983/84 food import requirements were met by aid. For example, food aid accounted for 85 percent in Cape Verde, 75 percent in Chad, 55 percent in Mauritania, 50 percent in Mali, 35 percent in Niger, 22 percent in Senegal and 18 percent in Gambia.

Although such emergency food aid is greatly appreciated, I find it most difficult to reconcile the fact that during the same period, countries such as Burkina Faso, Chad, Mali, Niger and Senegal harvested some 154 million tons of cotton fibre when at the same time these same countries could not produce enough basic food for themselves. While I realise that these countries should exploit their comparative advantage by producing cash crops to earn foreign exchange, the permanent dependence on donor countries for food to feed their people is a matter of great concern to me. It is absolutely essential that these countries should strive to attain a reasonable level of self-sufficiency in food production.

Recently the United States Secretary of Agriculture, Mr. John R. Block, informed the World Food Ministerial Council in Paris that "the pursuit of self-sufficiency in developing countries can be harmful for them and the world economy as a whole."^{3/} Although I understand the

rationale behind his statement, I also believe that any food strategy that is likely to place any nation in a vulnerable position will be counter-productive and, in fact, the wrong policy to follow in this unpredictable state of the world economy.

6. You may recall that soon after the attainment of Independence, many African countries began to neglect the production of food crops because of favourable market prices for cash crops. The balance between cash crops and food crops was such that while local farmers were producing abundant cash crops they had difficulty feeding themselves. Furthermore, the continuous production of cash crops has earned many African countries, including the Sahelian countries, far less foreign exchange than they had hoped. In fact most of the countries have been placed in a situation whereby they have to import more fertiliser, pesticides, equipment and fuel only to produce more cash crops to earn them even less money.

The cash crops face uncertain world price prospects and any further expansion would lead to serious declines in prices and in total earnings for the producers. Unfortunately, some of the donor countries as well as the major world financial organizations have advocated the expansion of cash crops, thus creating a global glut. The net result is that the stimulation of the production of the export crops has become a subsidy for the benefit of the consuming populations in the affluent world.

7. There is no question that present international financial policies - especially those that have contributed to the creation of enormous debt burdens - are self-defeating. At this moment, many countries cannot meet their interest payment let alone to make a dent in the loan repayments themselves. The spectre of large portions of Africa remaining in fiscal gridlock decade after decade should be of great concern to the commercial and political processes of the West. In strategic terms, the only likely outcome will be a zone of instability, frustration, and even terrorism that can sprawl across the continent and the globe. Since there is no end in sight of this dilemma, and there

seems to be a continuous net outflow of money from the developing countries to the developed nations, present world financial policies will continue to undermine the Sahelian countries' viability. Such policies must change if Africa is ever to begin the establishment of a self-reliant future.

8. Presently, the governments in the Sahelian region are all taking significant structural adjustment measures to correct their long term economic imbalances. The adjustments include reforms in producer and consumer prices, the building of suitable institutions, and austerity budgeting. Substantial amounts of food aid have paradoxically, become a major disincentive - if not the major disincentive - to local food production. The governments of the region are paying special attention to this key factor, and are currently ensuring that prices received by farmers are significantly increased and are announced prior to the planting season. ^{4/}

9. But above and beyond these measures, the governments of the Sahelian countries should realise that continuous dependence on food aid is certainly the wrong policy to follow and one that will sooner or later reduce their ability to become either self-sufficient or self-reliant. Several of the governments are admitting their past errors in these matters and are determined not to repeat them. It is therefore unfortunate that while attempts are being made to alter the course of current aid programmes, some donor countries are still dumping excess agricultural produce in the form of food aid. What the Sahelian countries need - and for that matter most of the African countries - is the kind of aid that brings opportunity for the rural farmers to be productive and not the kind of aid that kills the entrepreneurial spirit of a people.

10. I would like to repeat a call that I made with respect to the current crisis in Africa. "The greatest contribution donor countries can make to help Africa is to stop providing food aid in its current form and help establish innovative national agricultural and industrial recovery

plans.... If all the donor countries are able to take this bold stand in concert, it may well be considered the best foreign aid package of the century. ^{"5/} Such an action will require tremendous political will by the international community (especially the donor countries and agencies) if the present conditions in the drought-stricken countries are to be turned to advantage. This can happen if there is the desire to help in the formulation of rehabilitation programmes that will, in particular, affect the livelihood of the rural populations. The kinds of aid that will provide an integrated framework for cooperative rural development projects will represent a major turning point in food-aid packages. Food aid as presently constituted seems to harm the confidence of the people and undermine the economy of these countries. An alternative strategy is required. Such a new deal must, above all, heighten the awareness of the temporary and transitional nature of the current emergency relief food aid programmes. This knowledge will help to restore the confidence of the people. In such an atmosphere inappropriate policies by governments can and must change. Then hard work can lead to the fulfillment of realistic expectations. The erosion of living standards can be stopped. Marginal lives and marginal lands can be reclaimed.

11. I want to record the appreciation of all Africans to all the non-governmental organizations that have been helping with food aid and other emergency relief efforts side by side with government-donor agencies. The invaluable services they have been performing, especially during the recent African crisis, indicate the depth of humanitarian feeling that these NGOs hold for their fellow men and women. Yet, continuous supply of food after the emergency is likely to lead to the institutionalisation of food aid for the Sahelian countries. Food aid - a blessing in the short-term - can become a curse in the long-term.

12. In the midst of the relief efforts, the Sahelian countries must look beyond the emergency to better times. This is also true for the development and donor agencies, such as the major sponsors of this symposium. Let our main objective be aid designed to help the Sahelian

countries to establish a solid foundation for sustainable development. Let us also realise that for such an objective to be fulfilled, the full cooperation of the Sahelian governments and their burning desire to overcome their present difficulties will be required. Since the serious problems facing these countries are many and complex, stemming mostly from long-term trends in agriculture, the donor countries should therefore help these governments to determine the root causes for failure and inefficiency. Appropriate research and development institutions must be established. Countries need to gain improved capacity, and the expertise to undertake mission-oriented research as well as technological adaptations fitted to break specific bottlenecks that retard the development process. Such institutions are sorely needed to act as centres of knowledge to help both the rural agricultural and industrial programmes.

13. For example, rainfed agriculture dominates the Sahelian region. It is obvious that a substantial increase in irrigation schemes is required. But what type of irrigation schemes are needed? To put it mildly, the record of irrigation schemes on the continent of Africa has been most uneven. While there has been notable successes, a large number of badly conceived, uneconomic, socially disruptive and technically mismanaged irrigation schemes have shaken the confidence of the rural populations. Nevertheless, irrigation on a far wider scale than present is not only possible but imperative. Research can lead the way to proper development. Continuous progress in the mid- and long-term depends on such preliminary work. Fortunately, effective stop-gap measures can be accelerated at little cost throughout the Sahel. Representatives on several nongovernmental organizations have the judgment, built of experience to help out immediately at the village level. As cadre for building up a large corps of professional conservation and development volunteers, these NGO personnel may be the Sahel's most valuable asset - that is, after the people themselves. We are all finally learning the greatest lesson. The people themselves are paramount - the key to Africa's recovery, and the key to Africa's future. They should be the proper focus of our efforts.

14. The soils in the Sahelian region and indeed most of Africa require careful handling. Nutrient levels fall within two to three seasons of crop production. Hence the slightest disturbance of the soils, resulting from the indiscriminate clearing of the vegetation, causes leaching, erosion and indeed alters the hydrological cycle. To regain their fertility these soils should be subjected to 10 to 15 years of fallowing. The current human and animal impact on the land makes it almost impossible for these soils to recover from excessive use. The destruction of tree and shrub cover in most of the Sahelian countries demonstrates the dilemma in which this region has to face. The excessive dependence on wood for energy to cook a simple meal tells the whole story.

15. It is obvious that a bold new initiative has to be taken in mass propagation of trees and shrubs using the proven techniques available. The two important methods of vegetative propagation are cuttings and tissue culture. Cuttings remain by far the most popular method used in many countries. However, the latest tissue culture techniques permit the propagation of clones in a rapid fashion that results in the production of thousands or even millions of plantlets from an initial explant harvested from a superior tree or shrub. The proposed Institute for Natural Resources in Africa (INRA) by the United Nations University, for example, holds most promise to undertake such a mission. It is envisaged that the rural populations will be deeply involved in the tree and shrub growing projects. INRA will be cooperating with existing institutions in many African countries as well as various international agencies working in Africa.

16. But the crucial question is to what extent can the Sahelian countries as a group cooperate with the other regional bodies such as the Southern African Development Coordination Conference (SADCC)? Nor should each country establish its own bilateral arrangements? While I am a great believer in regional cooperation and especially among the African countries, I am also realistic enough to judge its usefulness in the light

of past and present performances. In the first place the Organisation of African Unity (OAU) produced an excellent document "The Lagos Plan of Action for the Economic Development of Africa" in April 1980. To date very little concrete action has emanated from this laudable document. We are all aware that beautifully-stated policy pronouncements do not necessarily translate into real action unless a special effort is made. Firstly, the current African crisis, coupled with the recent new resolve by the Heads of State of OAU, indicate that a real action plan is going to emerge on the continent. Secondly, the Club du Sahel, which was established to play an innovative coordinating role between the Sahelian countries and the donor organisations, has had little success in alleviating the suffering of the poor and the neglected. My answer to the question on regional cooperation is that it is important and highly desirable to encourage such relationships, but it is equally important for the African countries to act locally. It is only when each country is strong economically and politically, without the chanting of foreign ideologies and slogans, can we see a meaningful regional cooperation on the continent of Africa.

17. Furthermore, I find it totally unconscionable that in the midst of the current food crisis the African governments are spending US\$8.2 billion annually on armaments and other military trappings. A fraction of this sum could purchase the necessities to help those who are presently too weak to work and are in a very debilitating state of health. Only a fraction could provide a "price incentive package" for the agriculture producers in each country. Add to this the US\$8 billion a year spent on some 80,000 foreign, "expatriate," development "experts" and you arrive at a truly impressive amount for investing in real progress.

18. In conclusion, let us do our best to see what is going on in the Sahel and indeed the whole of Africa through the eyes of the rural millions. I feel that we can make no better start than to consider the remarkable words written in 1972 by Robert S. McNamara, then President of the World Bank:

"To many in the affluent world, to be a farmer suggests a life of dignity and decency, free of the irritation and pollution of modern existence: a life close to nature and rich in satisfactions.

That may be what life on the land ought to be. But for hundreds of millions of these subsistence farmers, life is neither satisfying nor decent. Hunger and malnutrition menace their families. Illiteracy forecloses their futures. Disease and death visit their villages too often, stay too long and return too soon.

Their nation may be developing, but their lives are not. The miracle of the Green Revolution may have arrived, but for the most part, the poor farmer has not been able to participate in it. He simply cannot afford to pay for the irrigation, the pesticide, the fertilizer - or perhaps even for the land itself on which his title may be vulnerable and his tenancy uncertain. ^{6/}

Thank you.

NOTES

1/ The data collected by meteorologist Sharon Nicholson of Florida State University from 300 stations in the Sahelian countries show graphically the general decline in the rainfall pattern for about 20 countries. The data is reproduced in Lester R. Brown and Edward C. Wolf June 1985 Reversing Africa's Decline, World Watch Paper 65, page 20.

2/ In 1983, the total cereal production in the eight countries - Cape Verde, Chad, Gambia, Mali, Mauritania, Niger, Senegal and Burkina Faso - with a population of 33.3 million, fell by 10 percent to 4.9 million tons. Senegal's cereal production declined by one-third to 537,000 tons. Production of groundnuts which normally account for 25 percent of Senegal's foreign exchange earnings, declined by almost half to 550,000 tons. Cereal production in Mauritania fell to 12,000 tons from 44,000 tons in 1982 because of insufficient rain and the absence of flooding in the Senegal River basin. The basin is the main agricultural area, and flood recession farming is practised there. Lack of pastorage caused heavy loss of Mauritania's livestock. Cereal production in Gambia declined 50 percent to 48,000 tons. Output of groundnuts which account for 90 percent of export-earnings in a normal year also dropped by nearly half, to 90,000 tons. Burkina Faso's cereal production affected in the north by insufficient rainfall, was damaged throughout the country by the early end of the rainy season. Output fell 30 percent to 1 million tons. Cape Verde's chronic drought continued in 1983, reducing area planted and yields. Harvest of corn and beans declined slightly to 3,000 and 1,250 tons, respectively. Mali, however, was slightly affected by the drought. National cereal production increased slightly to 1.1 million tons. Adequate rainfall in the major producing areas of Niger helped raise cereal output slightly to 1.7 million tons. Normal rainfall in Chad's main agricultural region (the South), a lull in the civil war, and increased cotton producer prices boosted cereal and cotton output in 1983. However, Chad's production has not recovered to the levels of the mid-1970s.

Source: Sub-Saharan Africa: Outlook and Situation Report, July 1984. United States Department of Agriculture.

3/ Remarks by the U.S. Secretary of Agriculture, Mr. John R. Block before the World Food Council, Ministerial meeting in Paris, France on 10 June 1985. Secretary Block expressed the U.S. Government policy on the food situation in Africa, and commented particularly on the pursuit of self-sufficiency instead of self-reliance in food productivity by developing countries. He also discussed the importance of the developing countries keeping the principle of comparative advantage in mind.

4/ In Mali, for example, producer prices were increased and the cereals marketing system was reorganised to reduce the role of the State and increase that of licensed private traders. Niger has substantially increased producer prices for food crops and disbanded unprofitable, parastatals as part of the IMF structural adjustment programme. Retail

prices have also increased throughout the region. Gambia eliminated its consumer rice subsidy. Mauritania increased its retail rice price by 43 percent, and Cape Verde raised its retail corn price closer to import costs. In addition, producer import subsidies are being reduced.

Source: Sub-Saharan Africa: Outlook and Situation Report, July 1984. United States Department of Agriculture.

5/ Edward S. Ayensu, 1985. The African Crisis: An Open Challenge. Bull. of Atomic Scientists (in press).

6/ Robert S. McNamara, 1972. Address to the Board of Governors by the President of the World Bank. September 25th 1972, Washington, D.C.

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Paper presented at a symposium on "Drought in Africa", 12-14 August, 1985 in the Government Conference Centre, Ottawa, Canada. This symposium is organised by the Canadian International Development Agency (CIDA), the International Development Research Centre (IDRC) and the International Council of Scientific Unions' (ICSU) Inter-Union Commission on the Application of Science to Agriculture, Forestry and Aquaculture (CASAFA).

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IAC/4/ANNEX I

MILITARY EXPENDITURES BY DEVELOPING COUNTRIES

- SUMMARY OF PROPOSALS -

from a report
by

H.E. General Olusegun OBASANJO



and developed countries cooperating together.

8. In particular, developing countries should adopt equitable and socially just policies so as to encourage the resourcefulness and the development potential of their populations and to reduce the conflicts arising in the nation-building process.

9. They should also initiate or strengthen bilateral or sub-regional economic cooperation which may develop into non-aggression pacts and formal security cooperation. They should foster the gradual creation of zones of disengagement, distancing themselves from external intervention and they should explore the possibilities for regional or sub-regional initiatives to promote self-restraint in military expenditure or the acquisition of certain types of weapons.

10. The developed countries should reduce their own production of armaments, especially new generations of arms which constitute a principal driving-force of the world-wide arms race. They should take multilateral action wherever possible, to reduce arms flows and promote restraint by arms companies. They should support and promote regional efforts by developing countries to restrain arms purchases and they should provide incentives in their bilateral economic and technical assistance programs to encourage developing countries to restrain expenditures on armaments.

11. Both developed and developing countries should consult on the possibility of restraints among arms suppliers, on the transfer of arms, at least for particular classes such as chemical weapons and on the possible creation of a permanent forum of suppliers to agree on principles of restraint.

12. They should participate constructively in the 1986 United Nations Conference on Disarmament and Development, increase their participation in United Nations reporting exercises on military expenditures, and undertake studies to improve understanding and awareness of the choices and issues related to expenditure on armaments.

13. They should review multilateral agreement to guarantee the security of small states and to promote the peaceful resolution of conflicts and to improve United Nations conciliation procedures. They should support regional efforts to resolve conflicts and establish machinery for conciliation and confidence building.

14. Finally, they should support the establishment of small, independent consultative bodies to advise developing countries on security matters and of institutions in the developing world to study security problems, to develop and accumulate data and to promote wider support for the peaceful resolution of conflicts.



15. In its missions and other activities to promote a reduction in military expenditure by developing countries, the Council will focus on the following aspects:

- (i) To explore with developing countries in specific regions, the possibility of initiating and enhancing regional or sub-regional cooperation ranging from the negotiation of non-aggression pacts and mutual restraint on arms purchases or expenditure levels, to the introduction of confidence/building measures and widened cooperation.
- (ii) To encourage specific regional peace efforts where the Council might, in appropriate circumstances, act as a catalyst to encourage conciliation.
- (iii) To promote the establishment of financial stand-by arrangements for peace-keeping operations at the regional or sub-regional levels so that quick action can be taken when required, pending the launching of formal conciliation and financing arrangements.
- (iv) Within the context of an overall effort to encourage a reduction in the development and production of armaments in developed countries, to explore with arms producers the possibility of steps to restrain arms transfers, particularly of sophisticated weapons to developing countries. To undertake an examination of the dynamics of the processes through which sophisticated weapons are developed and produced in developed countries and sold to developing countries.
- (v) To bring to the attention of the major powers on a regional basis, the deep concerns and operations of the wider world community on issues of peace throughout the world.



INTERACTION
COUNCIL

IAC/4/ANNEX II

INCREASED ASSISTANCE TO THE LEAST DEVELOPED COUNTRIES

- SUMMARY OF PROPOSALS -

from a report
by

H.E. Mr. Ola ULLSTEN



INCREASED ASSISTANCE TO THE LEAST DEVELOPED COUNTRIES

1. The InterAction Council intends to promote action to assist the Least Developed Countries which most severely suffer from poverty, hunger and natural disasters.
2. At its second session, in May 1984, the Council stated that "the particular problems of the Least Developed Countries require urgent and sustained attention through intensified assistance from the wider world community. There is an urgent need for a rapid increase in concessional assistance to these countries, together with measures in the field of trade and technical co-operation to increase their earnings and strengthen their domestic capabilities".
3. A group of experts under the chairmanship of Mr. Ola Ullsten met on 8 and 9 December 1984 on the topic of "Increased Assistance to the Least Developed Countries". The group made proposals for action which were presented by Mr. Ullsten first to the Policy Board in January 1985, and then to the third session of the Council in Paris from 25-27 April 1985. The Council decided to promote action along the lines proposed by Mr. Ullsten as summarized below.

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4. Through informal consultations and a series of high-level missions to LDCs, donor countries and the relevant multilateral organizations, the Council will promote four main lines of action:

(a) Policy adjustment in the LDCs themselves:

5. The developing countries have the responsibility for their own development and they are making enormous efforts to face their problems. Nevertheless, improved policies and reforms could be adopted which would help to accelerate development and improve the prospects for increased assistance and investment from developed country governments and private sources.

6. There is a need for improvements in fiscal and economic policies and for an adequate framework of longer-term planning within which development policies can be sustained. Vigorous and sustained efforts should be focussed on increased food production to meet domestic requirements, on the development of human resources together with programmes to limit the growth of population and on the control and reversal of environmental degradation.

(b) Increased assistance from developed countries:

7. The LDCs are critically dependent on help from the developed countries and, the Council will therefore pursue a number of objectives for action as follows:



- Flows of assistance to LDCs should be increased in a coherent manner up to the levels negotiated at the United Nations Conference on the LDCs, (to \$ 14.1 billion which was to have been reached in 1985, around 0.15 percent of the GDP of donor countries).

- The bilateral ODA debt of LDCs should be cancelled and the terms of multilateral ODA debt should be adjusted perhaps to conform to IDA terms. A suggestion was made that the resources of IDA could be oriented principally to meet the needs of the poorest LDCs for a specified period.

- Mechanisms to improve co-ordination and secure increased assistance for individual LDCs, such as Round Tables and consortia, should be strengthened or introduced where necessary.

- The governments of developed countries should increasingly encourage the flow of assistance through the private sector, non-governmental and charitable organizations and academic institutions etc.

- Access to the markets of the developed countries should be increased for exports from the LDCs. At its session in January, the Policy Board particularly agreed that there is a case for immediate abolition of tariff and non-tariff barriers for products from LDCs and considered that the implications of this suggestion should be carefully examined.

- To meet the current crisis, increased emergency assistance must be provided, compatible with the process of sustained development. The situation could be significantly improved if donor countries would arrange to provide long-term food and energy assistance to LDCs for an extended period on predictable and concessional terms.

- Every effort should be made both by developed and by the least developed countries to reduce expenditures on armaments so that the maximum resources can be devoted to development. (This topic has been taken up more thoroughly by the working group on "Military Expenditures by Developing Countries", chaired by General Obasanjo; Document IAC/4/ANNEX I).

(c) Increased efforts by multilateral organizations:

3. The role of multilateral co-operation is of particular importance to the LDCs. The Council will promote:

- Improved co-operation between international organizations which are concerned with different aspects of the development problem - in particular, the World Bank, the UNDP and other UN agencies.



- A careful examination of the potential of new institutional approaches at the international level to assist LDCs, such as: a special financing facility for Africa; adjustment of allocations within the framework of IDA in favour of LDCs, and trade measures such as a widened STABEX scheme to increase and make more predictable the export earnings of the LDCs.

- Specific efforts to increase the contribution of private sector and non-governmental activities in a concerted effort to help the LDCs. The potential of the private sector in agriculture and the important role to be played by commercial banks were emphasized.

(d) Increased public awareness and support:

9. The Council has already expressed its intention to launch a campaign to mobilize public opinion in favour of increased resources for the LDCs. A carefully considered campaign should be undertaken under the auspices of the Council to create solid public support for longer-term assistance to LDCs. The InterAction Communications Committee will be asked to advise on the concept and implementation of such a campaign.

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10. Taking account of important international activities already underway to assist the LDCs, the Council will undertake a series of high-level missions to both the LDCs and the donor countries in a carefully co-ordinated manner. Following further preparation, the missions to LDCs will provide an opportunity to explain the views and proposals of the Council, and to promote support in these countries for policy change where required. The missions to the developed countries will aim to promote increased and sustained efforts by these countries to assist the LDCs along the lines of the policy objectives outlined above.

11. In the course of these contacts, consultations will take place with the heads of international organizations to promote increased efforts, improved co-ordination and new initiatives where appropriate.

12. The InterAction Communications Committee will advise the Council on a strategy to generate strong and sustained public support for increased assistance to LDCs.

THE THIRD SESSION OF THE INTERACTION COUNCIL

TAKASHI SATO

Board Member, Global Committee of Parliamentarians
on Population and Development (GCPPD)
Chairman, Asian Forum of Parliamentarians
on Population and Development (AFPPD)

Mr. Chairman, ladies and gentlemen, I should like to take this opportunity of paying my respects to you who take upon yourselves the considerable responsibility for world peace and prosperity and use your leading positions in society to implement these objectives.

It is indeed an honour to address you on the "The Population issue" at the "Third Session of the Interaction Council" and I am most grateful to be invited to do so.

The eternal desire of mankind is for world peace and prosperity, also the ultimate goal of the Interaction Council. Regrettably, man seems since time immemorial to be unable to live in peace. "Issues pertaining to Population and Development" have often been a contributing factor to these conflicts.

I urge the Interaction Council to include "The Population and Development issue" as a theme to be discussed since it poses a serious threat to the existence and peace of mankind. This issue should be discussed in parallel with the three problems designated by the International Council as emergency situations; that is, "Peace and Disarmament", "Revitalization of the world economy", and "Strengthening Co-operation for Development". It is impossible to pursue true world peace and prosperity unless we have a population suited to modern world conditions and natural resources development.

The environment of our planet is currently experiencing a period of great change. Despite the remarkable advances seen in scientific technology, it is generally agreed that existing food supplies and natural resources are inadequate to guarantee mankind's continued welfare.

In this decade, population in the developed regions has declined while in the developing countries it continued to increase at an explosive rate. According to statistics dated July 1984, world population stood at 4,763 million, since when it has continued to increase at a rate of over 80 million per year and is now well over 4,800 million. It is estimated that world population will reach 6,130 million by the year 2000, only 15 years away. Furthermore, it is significant to note that 70 million of those 80 million to be born each year will be in the developing nations, and we cannot ignore the fact that three-quarters of the world population is concentrated in these areas.

Looking at the rate of population increase, we find the dramatic rate of 2.06% recorded in the late 1960's has declined to 1.7% thanks to the effort of those concerned with the population issue. The growth rate in developing nations has also declined from 2.4% to 2.0%, however, world population continues to increase and it is, therefore, necessary to reinforce population adjustment through prudent policies adopted by the nations concerned.

Presently, family planning programmes through public assistance are being implemented in 87 developing nations, although 27 have yet to introduce such programmes. Half of these 27 countries are located in Africa where paradoxically, population increase is the highest and income levels the lowest.

The developed nations, however, have to face the problem of the aging populations and Japan is no exception. According to United Nations statistics the median age of the world population in 1985 is 23 and will increase to 31 by 2025.

Today, extreme aging of the population is a cause for increasing concern in the newly industrializing nations. A reduction in the birth rate has been realized in Singapore, Hong Kong, South Korea, Brazil and Mexico and in China, too, where a single child policy has been implemented.

In addition to being a social issue, the age problem requires that urgent steps be taken in employment, medicine, pensions, etc. The knotty issue of population structure based on age will eventually have to be tackled by the developing nations, who are still seeking to control population growth.

A leveling off or even decrease in population growth has been witnessed in certain developed nations. This in fact means a decrease in population since the death rate has exceeded the birth rate, another aspect of the population issue that we cannot overlook.

As I indicated a moment ago, population growth is a vicious circle generating fears of hunger and poverty on the one hand and anxieties associated with an aged society on the other. New issues arise as fast as solutions to other difficulties have been found.

Furthermore the population issue is inextricably involved with national culture, philosophy, religion, politics and economics, a veritable maze of conflicting questions. What can we do to escape from this maze?

First, it is necessary to initiate thoroughly effective programmes for education and family planning, based fundamentally on respect for human life and rights and love for humanity itself.

If we can combine this with the development of new resources and the wisdom gained from technological advances, I am confident that a secure path into the future awaits us.

Above all else, I believe that mutual cooperation and interdependence as aggressively pursued by national governments, legislative bodies, United Nations agencies such as the UNFPA, and civil an groups such as the IPPF, hold the crucial key to success.

I also believe that people with wisdom and wealth should use their power to help those nations in need. The nations benefitting from such friendship should strive in all earnest to solve the problems they face through their own efforts, while retaining a sense of gratitude towards those extending the helping hand.

As convenor of the Interaction Council, former Japanese Prime Minister Takeo Fukuda, who is also President of the Global Committee of Parliamentarians on Population and Development, focused international attention on the world population issue and proposed at the Council's Founding Committee that "the question of population and development should be taken up as the fundamental basis for a solution to the challenges presented by this age of great change". Committee members such as former West German Chancellor Helmut Schmidt, expressed their high regard for this proposal. Mr. Bradford Morse, UNDP Administrator, took the initiative in expressing his appreciation and has given us the benefit of his continued advice.

As world population issues diversify and become increasingly complex they have become more serious than ever before in our history, examples of which would be urbanization and aging.

I am further convinced that a solution to the population issue represents the very foundations of world peace and prosperity and as such should be addressed urgently through the framework of international politics.

I also firmly believe that there is only one solution and that is "the establishment of well-balanced and comprehensive measures for population and development", steps that match individual national characteristics.

Mr. Chairman, ladies and gentlemen, I ask for your cooperation in effectively promoting the Council goals by establishing a Population Committee in the Interaction Council, to create a vision of the 21st century which offers hope for all.

Thank you very much for your attention.

Speech

Socio-economic Development of Mankind
Needs Good Environment

He Liliang
1985 2/17

After the Second World War, the world has witnessed an unprecedented development in economy and technology, as well as a rapid growth in population. It took more than 50,000 years for mankind to reach 2.4 billion people in 1945, but this figure has doubled 40 years later today. The world population is currently increasing at an average rate of 80 million people per annum. Because of the speedy growth of population, the global habitable space is becoming smaller. The environment, the land and the natural resources which are vital for the existence of man can hardly bear the pressure exerted by population. The progress of science and technology has also provided mankind with the possibility for intensified and intensified exploitation and utilisation of the natural resources. As a result, economy has developed together with the pollution of environment and damage to the ecological systems.

Every human being wishes to live in good and quiet surroundings with sufficient food, clothing and housing. But how many people can enjoy this kind of appropriate life? In many countries, normally those with low level economic and cultural conditions, a considerable number of people live in poverty, as their rate of population growth exceeds that of economic development. In order to meet the essential needs of livelihood and to further develop people in some countries resort to irrational tillage, denudation, grazing and catching.

There are also people in some other countries, who consume excessive amount of natural resources without paying due attention to ecology and environment. Facts have shown, either in the South or in the North, disruption of ecology and pollution of environment have brought harm to man's health and stagnation to economic development. Man has already suffered tremendously and is still suffering from frequent natural disasters, energy crisis, environmental contamination, acid rain, water source shortage, desertification, illness, hunger and mortality. Aside from the world peace, disarmament and security the problems of development, population and environment are the major issues facing mankind, and their solutions naturally have aroused a serious concern in the international community.

Since China is a developing country with the biggest population on the planet and different varieties of environmental formation, it may be interesting to study her present problems and the activities of the people in these fields. It is known to all that China's population ^{ranked first in the world long ago} has doubled in less than 40 years, reaching one billion in 1981. The cultivated land is limited in China ^{and} is feeding 22% of the global population with barely 7% of the global total cultivated land. One hectare, on the average, feeds 10 persons, while in the United States, whose territory is a bit smaller than the size of China's, one hectare supports only 1.3 persons on an average. When man has not yet correctly grasped the law of interrelations between ecology, environment and population, the over growth of population will certainly bring adverse effects on ecology and environment.

It is well known that forest vegetation is the mainstay of ecological environment and has decisive impact on water and soil conservation, desert creep, river spill, water source, distribution and evolution of species, local climate changes etc.. The change in forest vegetation always leads to tremendous changes in ecological environment. Once the original ecological environment is disrupted, it would be extremely difficult to reclaim it by man power. According to historical records, the Yellow Plateau in northwest China 3,000 years ago was covered by over 50% of forest. But, at present, bare hills, gullies, grave soil erosion are seen everywhere. Yellow River then was named "Big River". The present name was given only 1,300 years ago, since the waters were muddy. Today, every year there are more than 1.6 billion tons of silt mingling with the water. The famous Silk Road in history used to lie along the west bank of Yellow River in northwest China (Gansu Province). Qilian mountain south of it was covered with more than three million hectares of forest 2,000 years ago. Now there are only two thousand hectares left. The well-known Dunhuang caves of frescoes and sculptures are now being surrounded by the Gobi Desert. Brilliant ancient civilization was created by our ancestors and nurtured by the Yellow River, but owing to people's lack of environmental awareness, the once prosperous economic development was on the decline. After Tang Dynasty, the northwest of China experienced such serious desertification in the last 1,000 years or so that China's economic activities gradually shifted to the then less developed east and the south. At present,

there are 1 million square kilometres of desert and 330 thousand km² of desertified land in North China, accounting for 13% of the total land surface of China. Currently, the total forest cover in China makes up 12.5% of the total land surface, while it is 30% in the U.S..

Coupled with China's modern industrial development, new environmental problems have emerged. Before the founding of PRC, its industry was very backward. Over the last 35 years, thanks to the great efforts made by our people, we have established a fairly comprehensive system of contemporary industries. The development of the national economy has brought about better life to our people. But air pollution is quite serious in many cities, especially those densely populated and industry concentrated cities over one million people. Some rivers have turned dark and foul-smelly, and solid wastes are piled up everywhere. The Suzhou river in Shanghai is a typical case of water contamination

Among the environmental problems which China is facing, the prominent ones to be dealt with are desertification, soil erosion and industrial pollutions. The desertified land in northern China is creeping gradually with an average annual increase of 1.5 thousand square kilometres. The rapid increase of population in these sandy areas has worsened the situation in transforming the dunes and handicapped development. ^{The Government,} having studied the suggestions of experts and experiences of foreign countries, has elaborated a national programme and has allocated substantial financial resource to solve these problems. It has mobilized scientists, technical personnel

and people of all walks of life in a great effort to control the desertification and improve the soil of sandy land. For many years, we have carried out unremitting efforts in planting sand control and windbreak forests and grass checkerboards, thus achieving gratifying results in stabilising active sand dunes in the desert steppe and steppe zones. Some desert^{ified} areas, _____ where the rainfall is below 200 mm. per year have become green again through the method of sowing by air and constant care by herdsmen. According to preliminary estimates, about 10% of the sandy land is now under control, and 12% has shown improvement. The local people can happily see the improvement of their lovely wood. In short, our experience in controlling desertification is: mobilization of the people, e.g. community participation, government guidance, planting of trees and grass, building of windbreaks and forest against sand encroachment, forbidding indiscriminate cultivation and felling of trees, reclaiming farmlands into pastures, forests and fishing waters as well as developing production in line with local conditions. We believe that, by using appropriate methods, man can gain successes in restoring the natural environment.

In China now much attention is given to the protection of the environment of cities and industrial centres. Because population and economic activities are highly concentrated in cities, where pop^{ulation} normally prevails. Modern industry can not develop without chemical industry and heavy industry. Moreover,

80% of our energy comes from coal, All this unavoidably produces waste water, gas and residue, which pollute the environment, foul the air and water, and even give rise to acid rain. Such an environment is bad to people's health and hinders the sustained socio-economic development. Since the 70's, the protection of environment has been regarded by the government as a basic national policy. In 1979, the National People's Congress adopted an environment law which stipulates that in all the construction activities, people, enterprises and government at all levels should take the environment protection as an important and indispensable task. They should protect the environment parallel with development, trying to achieve the best economic, social and environmental effects. Naturally, we must not overlook the fact that China is a populous developing country, and people are very eager to attain industrialization and modernization. But due to limited financial resources, we often tackle the problem of pollution after it's being polluted and many people still do not see the importance of environment protection. There do exist contradictions between development and environment. However the important thing is that we follow the way of putting emphasis on prevention, combining prevention with treatment and conducting comprehensive treatment. Therefore some progress has been achieved.

On the population question, the Chinese government, since the 1970s, has formulated a population policy aimed mainly at

advocating family planning in accordance with China's concrete conditions. China has a big cardinal number of population with an accelerated increase (a net population growth of 23 million persons in 1969), a low level of economic development and a limited amount of cultivated land. Since the control of population growth rate is so important to China that it is stipulated in our constitution: "husband and wife should practise family planning". This policy has scored a good result through the government's appeal and guidance, propaganda and education, the supply of contraceptives free of charge and with the willing cooperation of the broad masses. The total fertility rate per woman dropped from 5 persons in 1950 to 2.2 persons in 1984. At present, the growth rate of population has declined to 1.1% with an annual net increase of 11 million while the annual economic growth rate in recent ⁷ years maintains at about 7%. Such ratio has provided a good balance between the population growth and socio-economic development. Thus some funds can be allotted for the treatment of the problems of environment and social development which have been long accumulated such as those of housing, education, employment, job opportunities and wage increase, etc.. The investment funds of capital construction have also increased.

One can see, from the past experiences, propaganda and education for population control should be given first priority in a big developing country with a large population such as mine. On the one hand, the knowledge about contraception,

better birth and upbringing should be widely disseminated. On the other hand, prejudices and the outmoded outlook on birth which have been shaped over thousands of years should be changed through education of various channels. These ideas include more sons--more happiness, daughters being losing transactions, the births depend on God's will. Besides, the government should give guidance to men and women at birth age to practise late marriage and sparse birth. Facts show that family planning under guidance has produced entirely different results than under laissez-faire policy. Because government's population policy, its appeals and guidance can help people deepen their awareness of civil rights and responsibility, thus leading them to establish a new concept on the question of fertility. Thirdly, we must also firmly safeguard the principle that the formulation of population policy is the sovereign right of a country. The control of population growth rate is and will be for a period, at least for 15 years, an important policy of China. This is in the general interests of our people and enjoys support of the people not only in China, but also abroad. We must devote considerable efforts to keep the population growth rate under control. We know very well, that it is a great, yet arduous task to change the mentality, the traditional customs and habits. Therefore, all kinds of obstacles and accusations are unavoidable and even unsubstantial attacks come from abroad. Probably they don't know and are not willing to know the fact that for China, if there is no population control, there would be no real economic development. The declarations and programmes of action of the

United Nations and other International Population Conferences all emphasized the principle that it is the sovereign right of a country to formulate its population policy. It is full of vision and incorporates the spirit of democracy. Fourthly, the population problem must be solved in a comprehensive manner. Along with the family planning, we should not overlook the issues of urbanization, employment of the "surpluses" labour of rural areas and aged. Otherwise, we will not be able to solve the population problem thoroughly and successfully. Summing up what has been said above, I am sure that as long as the policy is correct and is carried out perseveringly, the problem of population, environment and development and their interrelationship can be properly solved.

Mr. Chairman,

In this world, where the international relations are intertwined, the problems of environment, population and development should be dealt with at national, regional and global levels. Environment, population and development are closely related and interdependent. Any improper policies on population and unbalanced development activities carried out by any country or any region will produce negative effects on environment within or even beyond their boundary and may upset the balance of the biosphere of this planet as a whole. The world-wide acid rain, pollution of some transnational waters and desertification in some regions are cases in point. Facing a challenge of environment and population problems, countries, especially those big populous countries should first make efforts to protect their own environment and solve their own population problems, because this is the basis

for the success of the above-mentioned activities. Since the problem of environment and population involves human interest and is a common cause of mankind, therefore regional and global cooperation should be strengthened. Again, the international community should continue to promote people's awareness of population and environment, and especially help governments of all nations and economic entities to realize that environment is an important factor for the socio-economic development and an indispensable condition for the improvement of population quality.

For some decades, many countries and regions of the world have made energetic efforts in protecting the environment and restoring ecological balance, and have obtained remarkable successes, which deserve praising. The United Nations, specialized agencies and many non-governmental organizations have done a lot of work in study, interchange and dissemination of relevant information and execution of projects in this fields, whose remarkable work is very much welcomed by the recipient countries. But there are still a lot of scientific and technical problems in the world yet to be solved. For instance, the production of low toxic high effective pesticides and the combatting of acid rain, etc.. The world community should help find reliable and appropriate methods to solve such problems through bilateral and multilateral cooperation.

At present, the world community is deeply concerned with the serious problems of environment, population and development in many countries of Africa. The severe drought and famine of

countries

many

sub-Saharan ~~region~~ have shocked the world. The world community has provided substantial assistance to the ~~victims~~ *affected countries*, which is a good example of international cooperation. But what should the world community do to avoid the recurrence of such ~~serious~~ disasters in the future and to eliminate hunger in the world? How to urge the developed countries, which have more experience in tackling the problem of environment and population, to provide more assistance to the ^{of} impoverished nations and LDCs in solving those difficult problems? How to urge the World Bank, IMF and other agencies to offer concessional credits in a substantial amount to revitalize their economies? How to organize promptly effective assistance for rehabilitation, when drought is getting eased in sub-Saharan Africa. These are the questions for the world community to take actual actions.

During the 40 years since its founding, one of the most significant contributions the United Nations has made to the world is the promotion of international cooperation. The official development aid and multilateral aid agencies have played remarkable roles for the socio-economic development and cooperation of various countries, and have been highly praised for their effort. But the amount of aid has fallen far short of the need of the poor nations, especially the LDCs. Besides, regrettably, the government of a big donor nation even inclines to further decrease the amount of the

official development aid. I wish that the industrialized countries would adopt a far-sighted policy and increase the aid to the low income countries, because any improvement in the economic development, population control and environmental protection of the Southern countries will in turn bring about the prosperity and progress of the developed countries as well as the rest of the world.

In short, facing the challenge of environment, population and development, man needs further comprehension, cooperation and action. I believe that, inspite of the difficulties the world is facing today, if we show our determination and act vigorously to mobilize the international community to make a concerted effort, we can solve the various problems step by step.