
COMMON RESPONSIBILITY IN THE 1990's

**The Stockholm Initiative on Global Security and Governance
April 22, 1991**

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COMMON RESPONSIBILITY IN THE 1990's

The Stockholm Initiative on Global Security and Governance

PREFACE

The world today has a unique opportunity to meet the global challenges. Securing peace, sustainable development and democracy requires nations, in their common interest, to create a new system of global security and governance. We believe that the time is right for nations to take that great step forward, living up to their common responsibility.

The transformation of relations between East and West has ended the Cold War, freeing minds and resources that for so long were bound by sterile confrontation. The momentous changes in East-West relations in the final years of the past decade have provided new openings for the world in the 1990's. Though the openings are real, the process is fraught with dangers, including in particular, the extreme difficulties facing the transformation of the Soviet Union.

The conflict in the Middle East, following Iraq's invasion of Kuwait, has revealed the weakness in the present system for international peace and security. Freed from the constraints of the Cold War, the United Nations did respond in an unprecedentedly speedy way to the crisis. Yet the organization was neither in a position to prevent the crisis, nor to solve it in a peaceful manner.

World leaders must now act determinedly to build a new system for peace and security, on both a global and regional scale. Failing this, the 1990's may become a decade of dangerous instability. Such a new system must meet the interests of all nations, strong and weak alike. Resolute action must be taken by the United Nations whenever international law is broken. Fears must be allayed that double standards played a role in making possible the international response to the Gulf crisis, and we must now make sure that military culture is not given a new lease of life. A system of security, on global and regional levels, must build on principles of sovereignty and universality, and not the military might of individual powers.

Peace and security will not be achieved unless international cooperation is extended also to deal with the threats that stem from failures in development, environmental degradation and lack of progress towards democracy. Injustices that prevail throughout the world are a constant threat to the security of nations and people. Increasing economic and ecological interdependencies have not been met by a corresponding strengthening of global cooperation and governance.

As we enter the new decade, the opportunities for progress in international cooperation are greater than ever before. Collective security can be achieved. Poverty can be reduced, and in foreseeable time extreme poverty can be eradicated. Environmentally sustainable development is possible. Democracy and human rights are universal and increasingly potent values.

A new spirit of cooperation has been seen in many areas, but nowhere, perhaps, more evidently than in the trend towards revitalization of the United Nations. The organization has played a

significant role as many regional conflicts moved towards resolution during the latter part of the 1980's.

After a decade, the greater part of which was characterized by selfishness and arrogance, we need to restore global morality. We need the vision of being one global neighbourhood. That is the idea of international solidarity, without which humankind might not survive the next century. We need a new world order, based on justice and peace, democracy and development, human rights and international law.

These visions led in the 1980's to a number of initiatives, taken by leading statesmen who shared the conviction that the increasing global interdependencies could only be dealt with by common action.

More than ten years ago, the former Chancellor of West Germany, Willy Brandt, formed an international **North-South Commission**. Being an independent group, the Brandt Commission could freely embark on a most imaginative project. In 1980, the Commission presented its analysis and its proposals for improving relations between industrial countries and developing countries. With its new thinking on mutual interests and solidarity between people and nations, the Brandt Report had quite an impact on public opinion.

In the report, Willy Brandt wrote that reshaping North-South relations is the greatest social challenge to mankind for the remainder of this century. He added:

While hunger rules, peace cannot prevail. He who wants to ban war must also ban poverty. Morally it makes no difference whether a human being is killed in war or is condemned to starve to death because of the indifference of others.

However, the "Programme for Survival" could not convince the decision makers of key countries. While they accepted the idea of a first North-South summit (held in 1981 in Cancun), they disliked most of the recommendations for a profound change in international economic relations. Similar was the response to the second report, "Common Crisis", that focused on debt and energy issues. Obviously, the invasion of Afghanistan and the following East West confrontation had heated the international political climate, in a way that was not conducive for improving North-South relations.

It was in the face of these deteriorating relations between East and West that in 1980 the late Prime Minister of Sweden, Olof Palme founded his **Independent Commission on Disarmament and Security Issues**. It dealt with another major aspect of global interdependence, that of security and the threat of nuclear war. The Palme Commission discussed confidence building measures and disarmament. It furthered a new concept, "common security", which in 1982 also gave the report its title.

Olof Palme wrote in that report:

There can be no hope of victory in a nuclear war, the two sides would be united in suffering and destruction. They can survive only together. They must achieve security not against the adversary but together with him. International security must rest on a commitment to joint survival rather than on a threat of mutual destruction.

The aim of the Palme Commission was to promote a downward spiral in arms. It elaborated a broad programme for reducing the nuclear threat by test bans and non-proliferation agreements. It agreed on the need for a further build down of conventional forces and a ban on chemical weapons. All these proposals are still valid. Like the Brandt Commission, it also proposed measures for controlling the arms trade. And forcefully, it argued the effectiveness of confidence-building measures. The Palme Commission also paid particular attention to the security needs of the South, and suggested ways of strengthening the United Nations.

Many of the key ideas of the Palme Commission, including the concept of common security, are now being taken up -- but only after a costly delay. All through the 1980's, the arms race continued, and violent conflicts took the lives of millions of people.

In response to growing concerns about the global environmental situation, the **World Commission on Environment and Development** was set up. The Secretary General of the United Nations called upon Gro Harlem Brundtland to chair the commission. It presented its report in 1987 called "Our Common Future".

The Brundtland Commission found that present development patterns could not be allowed to continue. While economic and social development suffered from severe national and international imbalances, threats to the environment were becoming global in scope and devastating in scale. But the Commission also found that necessary changes were possible, that humankind had never before had greater possibilities to break out of the negative trends of the past. To do so would require political reform, a fair access to knowledge and resources and a more just and equitable distribution within and among countries.

The central concept introduced by the Brundtland Commission was that of "sustainable development". The report wrote:

Sustainable development seeks to meet the needs and aspirations of the present without compromising the ability to meet those of the future. Far from requiring the cessation of economic growth, it recognizes that the problems of poverty and underdevelopment cannot be solved unless we have a new era of growth in which developing countries play a large role and reap large benefits.

The report emphasized the increasing importance of interdependence in coping with global environmental problems. It brought out the strong connection between problems of environment and problems of development and security, and showed that meeting these challenges requires a coordinated and integrated approach.

During the final years of the decade, another commission was formed, the **South Commission**. Chaired by the former President of Tanzania, Julius Nyerere, it dealt with the situation of developing nations, and in particular with the possibilities and needs of strengthening South-South cooperation. It presented its report, "The Challenge to the South", in 1990.

While recognizing the importance of a conducive international environment for development, and calling for efforts to revive the North-South dialogue, the report

stressed the responsibility of developing countries to ensure a better future for themselves. It devoted much attention to economic and political reform and the importance of improving domestic economic management. It advocated a people oriented strategy and came out strongly for strengthening democracy and for curbing authoritarianism, corruption and militarization.

The last paragraph of the South Commission's report expressed this clearly:

In the final analysis, the South's plea for justice, equity, and democracy in the global society cannot be dissociated from its pursuit of these goals within its own societies. Commitment to democratic values, respect for fundamental rights -- particularly the right to dissent -- fair treatment for minorities, concern for the poor and underprivileged, probity in public life, willingness to settle disputes without recourse to war -- all these cannot but influence world opinion and increase the South's chances of securing a new world order.

There is one basic common denominator in the thinking of all the four independent Commissions: no nation can resolve its own problems without relying on others. The Commissions spelled out our interdependence. They emphasized that we must work together to be able to live in one world, to reach a common security, to have a common future.

In early 1990, after the momentous changes of 1989, Willy Brandt assembled members of his own Commission, together with several representatives of the other Commissions. They met at Königswinter, outside Bonn, and reviewed the 1980's and outlined new prospects for the 1990's. There was solid agreement that the major challenges of the 1990's could be mastered only by coordinated multilateral action.

As a result of the Königswinter meeting, Prime Minister Ingvar Carlsson, Sir Shridath Ramphal and Minister Jan Pronk were asked to form a Working Group. Their task was to make an assessment of the new opportunities, and to suggest major areas for multilateral action. One year after the Königswinter meeting, we assembled in Stockholm, at the invitation of Prime Minister Carlsson. Inspired by the themes of the earlier independent Commissions -- and on the basis of a memorandum presented by the Working Group -- we have tried to outline some elements of great relevance for the 1990's.

In this Stockholm Initiative, we put forward a number of proposals which we believe require urgent action. We may not all agree with each single suggestion, but the need for a comprehensive effort is recognized by us all. We are convinced that the present is a uniquely propitious time for an initiative to be taken, that responds with imagination and boldness to the manifest needs of the present and the future.

Stockholm, April 22, 1991

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*Could not attend, but has agreed to support the paper.

PEACE AND SECURITY

We are at a moment in history, perhaps not experienced since the end of the Second World War, when questions of how to assure peace and security can be addressed in a constructive and fundamental way by the nations of the world. It is a unique moment of opportunity, but also of great risk.

The Cold War has come to an end. The conflict between East and West led to a divided Europe and to global rivalry between the two superpowers. It has consumed enormous resources that could have found a better use. Not only has it involved two opposing alliances. It has also fuelled violence and war in many parts of the South, by blocking genuine international cooperation and often also the constructive search for effective policies, promoting development and averting environmental threats.

The transformed relations between East and West have opened possibilities -- and made obvious the need -- for a new security order. The concept of common security has in practice been recognized by the world's two leading military powers and is now gaining wider recognition. To diminish the risk of serious conflicts elsewhere in the world, a new security order needs to be established based on the idea of collective security.

The divided continent of Europe has become a continent of ambitious cooperation and integration. The most substantial disarmament treaty ever was signed in Paris in November 1990, at the Summit of 34 Heads of State and Government. It was the result of a process of dialogue that has proved to be of tremendous power. Visions of a peaceful continent, with no more boundaries between its peoples, are now being transformed into practical political decisions through the Conference on Security and Cooperation in Europe. However, overcoming the difficult transition in Central and East Europe is of vital importance. In particular, it is of great concern that the transformation of the Soviet Union succeed in a peaceful way. Institutions and forms of assistance that aim to avert the risk of new conflicts and of a new economic and social divide are now being established.

Obviously, all causes of conflict are not removed by the transformed East-West relations. The best example is the recent crisis in the Middle East. But, as a result of the new political climate between East and West, a number of other conflicts in the South have moved towards resolution. That is true, for example, in Southern Africa, in Central America and in different parts of Asia. Continuing injustices and unmet and conflicting aspirations by nations and peoples still, however, constitute dangerous threats to security. National, ethnic and religious conflicts risk being escalated into violence and war. They are a major challenge to international cooperation in the 1990's.

There is thus a clear need to strengthen global and regional mechanisms for conflict resolution.

Strengthening the United Nations

On the global level, the time is ripe to implement the international security regime based on the Charter of the United Nations. For the first time since the late 1940's, there is agreement among the major military powers to act together to prevent war and to solve conflicts. The system of international peace and security which we seek must be comprehensive and universal, and protect the interests of the weak as well as the strong. The burden of making the world safe for all should also be shared by all. For a new world order, it is vitally important that the United Nations is made stronger and more effective.

We propose improved United Nations capabilities for anticipating and preventing conflicts, in particular the establishment of a global emergency system.

The Secretary-General is already authorized to bring to the attention of the Security Council "any matter which in his opinion may threaten the maintenance of international peace and security". But for monitoring the world situation, the Secretary-General needs at his disposal a structure for political assessment in critical areas, as well as suitable technology. He should be the first to know when a conflict may develop -- and then be able to be the first to take preventive action.

Permanent political offices in key regions, military observer teams, fact-finding missions and military-collective security forces could constitute a global emergency system, a kind of "global watch", to be deployed before conflicts grow violent. It should be prepared swiftly when the United Nations is alerted of an acute threat. It would constitute a "tripwire" for potential aggressors, leading them to reconsider hostile action.

Such a global emergency system should be supported by a political agreement among the present permanent members of the Security Council to exercise restraint in using their veto power.

We propose the elaboration of a global law enforcement arrangement, in line with the United Nations Charter, focussing on the role of sanctions and on military enforcement measures.

The mechanism for carrying out Security Council decisions needs to be developed and be made more systematic in several ways. Resolutions taken must be continuously monitored as to their implementation.

Peace-making efforts is one part of such a mechanism. They include mediation, concerted diplomatic activity, conciliation, good offices, etc. A more active role for the International Court of Justice could also be included.

The role of the **peace-keeping operations** should be expanded. They should not only deal with monitoring cease fires and other means of ending and containing armed conflicts. In other roles, peace keeping forces could ensure that countries are not destabilized across frontiers. UN missions could be used to oversee elections, as was the case in Namibia and Nicaragua recently. They could be put into work where there appears serious risk to international security, also in

cases of internal conflicts which have an impact on other countries or where human rights are grossly violated, as well as in terrorist incidents and environmental catastrophes.

The UN peace-making capabilities could also be greatly improved by the establishment of a net of political offices of the Secretary-General in various countries. These would be used not only to provide political assessments, but also to foster confidence-building measures and political arrangements in the regions of their location. They would be peace-making in the real sense of preparing the ground for peaceful relations on a continuous basis.

In the event that violations of international law take place, there must be a clear understanding on the **law enforcement measures**, their sequencing and timing, that the international community can take. In particular, the roles that economic and other non-military sanctions are to play must be strengthened.

As military enforcement measures may sometimes become necessary, the potential of the Military Staff Committee of the Security Council should be reviewed. This committee, practically dormant during the years of the Cold War, could have a significantly more important role to play.

We propose organizational and financial measures to strengthen the United Nations capabilities for peace-keeping and peace-making operations.

It is not satisfactory that peace-keeping and peace-making operations are delayed by the present unclear organizational structure and by the cumbersome process of having to secure finance. A new system for administrating and financing these operations is needed. One way to secure finance is for countries to commit resources on a "draw as needed" basis. Another is to build up a special reserve fund, earmarked for peace-making and peace-keeping operations, with money raised through mandatory contributions from all members on the basis of a formula which is set by the General Assembly. Military units in the armed forces of all nations could be earmarked for peace-keeping tasks, along with airlift facilities and modern communication equipment which could be put at the disposal of the political offices around the globe.

Regional Security Arrangements

When the 34 leaders of the states in the Conference on Security and Cooperation in Europe met at the Paris Summit in November 1990, they could rejoice in the success of a project which had been seen as more or less uncertain, not so long ago. The project is the Conference itself, and the process it has gone through. It can now show some quite remarkable results, fifteen years after the first Summit in Helsinki in 1975.

This Conference has worked in several fields or "baskets" -- with security, with economic and environmental relations, with human rights. It has strengthened the security of all European states, through a comprehensive treaty on conventional disarmament and through several sets of confidence building measures. It has promoted the legitimacy and respect for human rights in all

European nations, and contributed to preparing the ground for the peaceful revolutions of 1989 in Central and Eastern Europe.

We propose Regional Conferences on Security and Cooperation to be tried in regions also outside Europe.

Regional Conferences on Security and Cooperation could provide a framework for cooperation not only on security issues. The economic and environmental, social and cultural spheres could also be included, as could human rights issues. In some areas migrants' rights will be an important matter.

Obviously, there is urgent need for such an arrangement in the Middle East. In regions on all continents of the South there appears at present the possibility of initiating security arrangements. Particularly in Asia and the Pacific there are prospects for progress for such initiatives.

We are aware that the European experience cannot be simply copied elsewhere. Each Regional Conference should consider its own code of conduct and confidence building measures, as applicable in that particular region. Each could negotiate agreements on arms limitations and reductions. Zones free of specific types of weapons could be established. Cooperation in security matters, including the drafting of proposals for confidence building measures, could be supported by scientific peace research in the regions themselves.

Earlier, the actions of the big powers far beyond their own borders have constrained the possibilities of other countries to develop their own regional security arrangements. It is now the responsibility of these countries to make use of the new opportunities.

One concept to consider for the future is a global security treaty system, which would include voluntary decisions to limit the arms of each nation. Such a system could be built and developed from a series of regional treaties.

Limiting Arms Trade

The rapidly increasing trade in arms constitutes a particular problem, as evidenced by the enormous sales of weaponry to Iraq over many years. Though arms trade only partly can be seen to contribute to the outbreak of conflicts, it is an important factor in situations when war is threatening to break out. Limiting arms trade, in particular arms sales to areas of potential conflict, is an important objective for the international community, as stated also in the Charter of the United Nations. Now after the Gulf War, there is a clear risk of a new and dangerous spiral of arms transfers, involving weapons with the newest modern technology. The huge nuclear arsenals, wherever they are, still pose a threat to survival of mankind.

The arms markets are heavily concentrated in the third world, which buys 75 per cent of the arms traded each year. Significant volumes of arms are now also sold by third world producers. Any suppliers agreements to limit sales will need to bring in also these countries.

Information on arms trade is severely limited by official secrecy and the prevalence of shady deals. Clearly, greater knowledge and transparency would enhance the possibilities of limiting conflict-fuelling arms trade. The United Nations and independent institutes have important roles to play in that context.

We propose that the monitoring of world arms trade, particularly by the United Nations, be strengthened with the purpose of eventually agreeing on global norms, regulating and limiting trade in arms, and focussing on both supplier and recipient countries.

The Peace Dividend

The transformation of the East-West relationship does not only give political advantages. It should give a unique chance to release substantial resources -- the material side of the peace dividend. The risks of renewed armaments, as well as the many domestic demands, are creating considerable concern as to the size of the savings.

However, already agreed disarmament should create a considerable peace dividend. This is because the former confrontation in Europe still absorbs the bulk of global military spending -- at least \$ 600 billion out of a total of \$ 950 billion a year.

Considerable annual reductions in military spending are quite possible. Based on calculations by SIPRI, the potential peace dividend in the North can be estimated at around \$100 billion a year, possibly rising to between \$ 200 and \$ 300 billion a year by the year 2000. Total potential savings would then be between \$1500 and \$ 2000 billion during the course of the 1990's.

There will certainly be significant adjustment costs as armed forces are cut and military hardware scrapped. These may show up in retraining costs for retrenched personnel, or in reduced productivity and exports of defence industries. In extreme cases, it may even be more costly to scrap a weapon than it was to build it, specifically, as the scrapped weapons often leave environmentally very hazardous waste.

These costs are considerable, but not essentially different from adjustment costs in other areas of the economy. The benefits of the change far outweighs these costs, particularly in societies where military expenditures have been such a burden that there is an imminent need for change. Retraining costs and alternative investments are, in fact, a reallocation of resources from destructive to productive purposes. These relate to the use of the peace dividend, and should not be deducted from the potential savings.

The peace dividend has to be secured. It is a self-evident source for resources needed to meet new challenges. We recognize that many domestic tasks also make legitimate demands on the

peace dividend -- e.g. investments in environment and in human development. However, we do believe that the reasons for international cooperation are so compelling today that they warrant an ambitious target.

We propose a pledge by governments in the industrialized countries to allocate a specific part of the peace dividend for international cooperation.

For instance, if an ambitious target of one third of the military savings was set, about \$30-40 billion would be released annually for such cooperation.

These resources should as far as possible be channelled through international institutions which have a proven record of working well in their particular fields.

There is a possibility of a considerable peace dividend also in the South -- and there is a need for it. Military expenditure has risen three times as fast in the developing countries as in the industrial countries over the last three decades. In many countries in Africa and South Asia, military spending is two to three times spending on education and health. Having peaked at over \$170 billion in 1987, third world military expenditure has now fallen somewhat.

In parts of the South, this military build-up has been a consequence of the Cold War. In some countries, the function of the armed forces has mainly been to preserve the rule of dictatorial regimes. With the ending of the Cold War, with the growth of democratic values and the development of global and regional security arrangements, spending on military armaments in the South should also decrease substantially. In assisting developing countries overcome economic difficulties, especially in financing economic recovery programmes, international institutions and donors must pay more attention to the actual priorities in government spending set by developing countries themselves. Countries with high military expenditure to the detriment of human development will face increasing difficulties in attracting international assistance.

We propose a commitment by governments in the South to substantially reduce their armed forces, with the purpose of creating a peace dividend to be invested in human development.

To appreciate what could be achieved with the savings from reduced military expenditure -- savings of \$ 30-40 billion out of total expenditure of close to \$1000 billion a year -- a comparison could be made with the following estimates of additional financing needs for investments in human development:

- UNICEF estimates that to significantly prevent child mortality and malnourishment for 50 million children, \$ 2.5 billion a year would be needed.
- WHO's programme of "Health for all" would cost about \$1 billion a year up until the year 2000.

- UNDP and UNESCO estimate that it would cost about \$ 5 billion a year to assure that every child has access to primary school by the year 2000.

If we are to give a new global security order a chance, we must at the same time start to deal with challenges to security other than political rivalry and armaments. We must realize that there is a wider concept of security, which deals also with threats that stem from failures in development, environmental degradation, excessive population growth and movement, and lack of progress towards democracy. Only with such a wider concept of security can we find ways of securing a lasting world peace.

DEVELOPMENT

Disparities have grown in the 1980's -- within and between countries, between the South and the North, and also, very notably, among countries in the South. Though the experience of the South has been very varied, for most of these countries the 1980's was a decade of economic decline. In Africa and Latin America per capita income and investment fell drastically, severely weakening the basis for social services and human development. But even the difficult 1980's brought strong economic growth in a large part of the developing world, including the greater part of populous Asia. A number of developing countries are now major economies, whose participation is of great and growing importance to the world economy.

In Europe, the differences between East and West are more obvious than ever. Transforming the societies of Eastern Europe represents a major new challenge to development. The challenge must be met. However, support for Eastern Europe must not be at the expense of cooperation with developing countries, whose reform efforts are no less deserving of international support.

The number of the world's poor has continued to increase. Today, more than one billion people, one in every five human beings, live in utter poverty. Every day, 40 000 children die unnecessary deaths. This decade will witness the birth of the largest generation in the history of the planet with some 1.5 billion children being born. They must not be denied their right to a life in dignity.

Despite all efforts, only a few of the crisis-struck countries have succeeded in anything but halting the decline. The means have often been inadequate to back the will to implement reform. In many places, people see little hope for the future.

Migration has, therefore, increased. Some people have moved because poverty, environmental degradation, oppression or violence have forced them. Some have moved because their aspirations to a better life, a life in which they can make better use of their capabilities, leads them to seek other places to live and work.

Migration has become an increasingly important aspect of international relations -- from economic and security viewpoints, and from a humanitarian viewpoint. At moderate levels, migration is an economically and culturally benign phenomenon. But poverty-driven migration and refugee crises are not. The world is seeing more of that, which strains the economic and political situations in many regions.

Narcotics and AIDS also bear witness to the heightened interdependencies between all nations. No country can cope on its own with these terrible scourges, directed in particular to their young generations. The drug problem binds producing and consuming nations, charging them jointly to deal with this corrupting trade.

With the economic and social legacy of the 1980's, there is a great risk that many poorer countries will be marginalized, finding it more and more difficult to catch on to the rapid

developments in the world economy. And there is the danger that poor people within nations will become even more marginalized than they are today, caught ever more firmly in the vicious circles of poverty. This is an outrage to morality and a direct threat to security everywhere.

The many failures of the 1980's must, however, not prevent us from recognizing a contrasting but important fact -- the underlying and growing potential for development.

Taking the longer perspective, the progress of some parts of the developing world has been forceful and strong. Health and education has improved -- life expectancy at birth rose from 46 years in 1960 to 62 years in 1987, and literacy rates rose from 43 per cent to 60 per cent. This has strengthened human capabilities and potential.

Economic growth for the developing world as a whole has also been strong over the decades, and indeed more rapid than that experienced by the industrialized countries during their long period of industrialization. On average, per capita consumption has grown by about 70 per cent since 1965. Developing country trade has grown considerably as a share of world trade, as has the share of manufactures in their exports.

There is thus no doubt, despite the many dismal aspects of the 1980's, that there is a dynamism in development. Where countries have managed to create effective development policies in their broadest sense, there has been strong development. There is therefore no cause for disillusion over the longer term. Development is possible, and developing countries will certainly come to play a more important role in determining the future of the world.

Focus on Poverty

International cooperation for development has left a large body of experience. Lessons have been learned, both from mistakes and achievements. In fact, we believe that a broad understanding of the basic elements of an effective and sustainable strategy is now emerging.

Central to this strategy is the creation of an environment which enables people to exploit and expand their capabilities to the furthest extent possible -- the essence of self-reliant development. This requires policies setting up a conducive economic framework -- macro-economic order and market-economic freedom. Equally, it requires policies for an equitable distribution of assets and income, as well as policies promoting an enabling environment, i.e. the provision of social services, investments in physical infrastructure, and, so important, the development of indigenous institutional capacity.

There is not one single blueprint to be used -- all nations are unique. And there are no easy solutions -- in all countries difficult political choices have to be made. Conflicting interests of various groups is a reality everywhere. In some countries, vested interests in an unjust system must be overcome by tough political decisions. Democratic reforms should enable a stronger

civil society to develop, and with it the broad institutional basis for a just development strategy to be realized.

In 1990, two of the most important international organizations, the UNDP and the World Bank, presented comprehensive and explicit studies dealing with the basics of development, how to overcome poverty and achieve human development.

In UNDP's "Human Development Report 1990", countries' varying degrees of progress in enabling their populations to live better and richer lives were examined. The great disparities among countries between the level of income and the level of human development were exposed. The analysis brought out clearly the possibility of rapid progress in human development. The access to economic resources is important, but more important still are the political choices on what kind of development. Policies for economic growth are necessary, but equally crucial are the policies for social development. Human development is a concept combining people's participation, poverty eradication and human rights. Only national choice can make it happen.

In the 1990 "World Development Report", the World Bank made a very thorough review of the experience in overcoming poverty. Its message was equally clear: a poverty-oriented strategy needs to be two-fold. Policies should promote the productive use of the poor's most abundant asset – labour -- by harnessing market incentives, social and political institutions, infrastructure, and technology to that end. Policies are also needed to provide basic social services to the poor, especially primary health care, family planning, nutrition and primary education.

Strengthening the role and rights of women is essential to any people-oriented development strategy. The status and rights of women do not correspond to their real economic, social and cultural role. Their disadvantaged situation, even their exploitation, varies and takes different forms in different parts of the world. One of the most cruel expressions of this is the outrageously high mortality rates for girls in parts of Asia. The clearer recognition of these issues must lead to political backing for real change. Failing this, poverty policies will not succeed.

We support the emerging broader understanding of the basic elements of an effective and sustainable development strategy. Economic growth and social development are equally important factors. In particular, we urge nations to pursue policies that promote the productive employment of the poor, and to significantly increase the priority given to education.

We propose that the world community sets the goal to eradicate extreme poverty within the coming 25 years, through a committed effort to achieve sustainable development.

At present one billion people in the world -- one in every five human beings -- are defined as living in extreme, or absolute, poverty. Their living conditions do not meet even minimal standards as regards health, education and material welfare. Focussing on this one billion, the World Bank has judged it a realistic target to reduce their number by at least 400 million by the end of this decade. We submit that it is also an entirely feasible task to eliminate their number in

another IS years. This requires an ambitious commitment by developing countries, and increased support from their partners. The principal policy elements needed are well known and the financial resources within reach.

In order for poverty to be reduced, significant progress has to be made in social development. Many targets have been set by the United Nations organizations and adopted by the world's nations.

We propose that the following targets for the year 2000 be emphasized and that countries' achievements be monitored closely:

- primary education for all children,**
- equal participation of boys and girls in schools,**
- reduction of child mortality by at least one third,**
- reduction in maternal mortality by one half.**

By regularly monitoring the fulfilment of these targets in each country, the UN organizations and the World Bank can make a significant contribution in building the necessary commitment and in suggesting what further steps need to be taken. These and a few other central targets for human-oriented development are estimated to cost about \$ 20 billion a year more. A strong commitment to reduce poverty should be supported by increased aid. With a people-centred development strategy, developing countries can succeed in achieving the targets. Our children shall live in a world without poverty.

A Conducive International Environment

In making development possible, the international economic environment has a huge impact. Despite sustained growth in the industrialized countries, the 1980's saw a worsening economic environment for developing countries. Increasing protectionism, falling commodity prices, volatile exchange rates and high interest rates are parts of an environment that was shaped outside of the influence of the developing countries. This contributed in precipitating the debt crisis, and the ensuing severe reduction in net capital flows that the developing world has experienced. In addition, aid levels have stagnated, at best, during the course of the decade.

It is now essential to create a more conducive environment through improved international economic cooperation and increased development assistance. Action is needed on many fronts, and is discussed in many international organizations. We have chosen to bring out three areas as being of particular importance: trade, financial flows and debt reduction, and development cooperation.

The protectionism of industrial nations is today costing the developing countries much more than they receive in aid. The potential annual gains of fully liberalized world trade in two areas, agriculture and textiles, have been estimated at 100 billion and 50 billion dollars, respectively. Together this is about three times the annual amount of development assistance provided by the

industrial countries. A successful completion of GATT's Uruguay Round is essential to the future trading prospects of the whole world, and in particular to the developing countries.

We propose a strengthening of the multilateral framework of trade related agreements, reducing protectionism on all fronts, and expanding opportunities for developing countries' participation in world trade.

The massive net outflow of debt-related resources from the developing world must be halted. The present outflows are not sustainable. At the beginning of the 1980's there was an annual net transfer of \$ 50 billion to the developing world. At the end of the decade, \$ 50 billion were flowing out of it, every year.

This outflow can only be reversed by conducive economic policies, in the North as well as in the South. The North should pursue policies that increase saving and agree on mechanisms that encourage investments in the South. The South should pursue policies that induce confidence in their economies, facilitate development of their private sectors, attract foreign investment and curb capital flight.

The debilitating and demoralizing debt overhang must now also be attacked. Debt reduction has, after a long and costly delay, been approved as part of the international debt strategy. Severely debt-burdened low-income and middle-income countries have different debt burdens and different debt structures. The extent and kind of debt relief will therefore differ from country to country. As many debt-distressed countries are implementing stronger economic recovery programmes, the argument for increased debt and debt service reduction is only stronger, especially for the low-income countries. A debt strategy that leads to effective reduction of the debt stock and takes account of the capacity of debtor countries to generate export earnings is urgently needed.

We propose a strengthened debt strategy, introducing a strong element of debt forgiveness to radically cut the debt overhang:

- **by terms and conditions in Paris Club reschedulings that go far beyond today's in providing relief and applying to a broader range of countries,**
- **by commercial debt restructuring that better corresponds to the secondary market value of that debt,**
- **by increased financing on appropriate terms by the international financial institutions**

Even with a strengthened debt strategy, resource flows to developing countries will take time to recover to significantly higher levels. At the same time competition for scarce capital will increase as countries in East and Central Europe proceed with their economic reforms. However, an economically more dynamic Eastern Europe will increase world trade, to the benefit also of the developing countries in the South. In the short run, this competition for funds may be a

significant problem. Therefore, the transfer of capital and technology to the South needs to be assisted by improving available financing mechanisms for investments.

For a large number of the poorer nations, development assistance will continue to be an important, even a major source of foreign capital. In these countries and also in a large group of more advanced developing countries development assistance has the further purpose of being an important source for technical assistance, for the transfer of knowledge, competence and technology. Also, assistance for humanitarian purposes will still be needed in many situations.

International coordination of foreign aid, and the surveillance of its quality, has improved markedly. The substantial increase in quick disbursing aid to the debt-distressed countries of Africa that has been mobilized from donors in the framework of the World Bank coordinated Special Programme of Assistance is a considerable achievement.

At a time when development assistance must be raised, the donor countries, after several years of strong growth, find it difficult to increase their aid levels, let alone live up to their commitment of providing at least 0.7 per cent of their GNP. There are some notable exceptions, but the rich world's aid efforts are now down to a record low of 0.33 per cent. The peace dividend should make it possible to reach and even surpass the 0.7 per cent target. We have international institutions to effectively make use of increased capital for development. In fact, now is the time to significantly raise the target for international development cooperation.

We propose that all industrialized nations set public time targets to provide one per cent of their GNP for international development cooperation.

New targets are well justified when taking into account the new challenges to development and cooperation, the need for economic growth and social development and for the protection of the environment.

The industrial countries bear a great responsibility for the world economic environment. We acknowledge that the OECD countries have taken strong measures in coordinating their economic and financial policies in various ways. However, shortsightedness in the economic policies of the industrial countries must not be allowed to constrain the prospects for the efforts of developing countries. From a global viewpoint, saving in the North is too low for an efficient use of world resources. The persistent imbalances in world trade and payments, and the difficulties many industrial countries have in pursuing responsible economic policies, are constant risk factors for the international finance markets, and a contributing factor to the high level of global interest rates.

There is a need for global economic accountability. Seeing to the global good, surveillance by the IMF and other international bodies should be strengthened. It should be possible to suggest adjustment policies to all nations regardless of their individual economic power, and also to expect that they be followed. This is a crucial challenge to the North.

We now have to adapt our attitudes and institutions to these new perceptions. Specifically, at Security Council level in the United Nations development must be accepted as an integral part of the mandate of ensuring peace and security. We are passing from a world of separate worlds to one inseparable humanity -- to one world. Member countries of the Security Council should give a lead in taking on to their agenda issues now so inescapably linked to the peace of the world and the security of its people as poverty and economic and ecological interdependence.

ENVIRONMENT

Over the ages of human existence, the issue of survival arose only in the very beginning: could the human species evolve through adapting to an often hostile environment? Humankind overcame that primary challenge, and never since then has the threat to human existence been seriously revived – until now. In the second half of the 20th century, at what many would regard as the flowering of human potential, that issue of survival has grown steadily more serious and urgent. In a strange reversal of our predicament, the threat to humanity comes not from a hostile planet but from the power which man's genius has given him over the planet itself. It comes from the dominion we have assumed over our environment, from our capacity to damage it and to destroy ourselves in the process.

The Brundtland Commission's definition of sustainable development as development which meets the needs of the present generation without compromising the ability of future generations to meet their own needs has not only a practical but also an ethical dimension. Unless we develop an ethical basis for human survival, all our technical solutions may turn out to be ineffectual in the long run. This is so because it is essentially the undeveloped nature of our global morality that has put humankind at risk: our greed, our arrogance, our lack of vision. What value should we place on our genius if, unconstrained by ethics of survival, it leads the human race to despoil its earthly habitation?

A deeper understanding of ecology has led to greater awareness of the damage done to many of our planet's life-support systems. Even if drastic action were to be taken today to reduce greenhouse gas emissions, we are, in all probability, already condemned to some degree of global warming and adverse climatic changes. We cannot replace the plant and animal species which have already been destroyed along with the destruction of tropical forests. Perhaps a quarter of the earth's total biological diversity, amounting to about a million species, is in serious risk of extinction during the next 20-30 years.

Irreversible damage is being done to soils in many parts of the world. Today, two-fifths of Africa's non-desert land risks being turned into desert, as does one third of Asia's and one fifth of Latin America's. A considerable part of the vast agricultural lands of the Soviet Union are threatened by environmental catastrophe. Important areas in East and Central Europe are contaminated by toxic substances and heavy metals. Great damage has been done to marine resources because of pollution and indiscriminate fishing practices.

Environmental stress does not result exclusively from over consumption and waste by the affluent. While the major global problems are largely caused by industrialized countries, serious problems in developing countries have created a strong and circular relationship between poverty and environmental degradation.

The imperatives of daily survival force the poor to think and live short-term – to overgraze grasslands, to over-exploit soils, to cut down dwindling forest stocks, and to rear large families

as insurance against higher mortality. The consequent destruction of the environment, and the increasing pressure of population on natural resources, cause further immiseration. What this means is that environmental stress in developing countries cannot be eliminated without attacking poverty and its root causes together with the related problems of high population growth.

There is not necessarily a trade-off between economic growth and environmentally sound development. The world can – indeed must – achieve both objectives, but this will require the integration of environmental considerations in every aspect of our economic, social and political life. Nations will have to make choices and decisions which are politically and economically demanding.

Developmental economics recognizes today that environmental degradation involves a loss of capital and incurs social costs which are not usually taken into account in the pricing of goods and services. Economic policies are therefore needed to ensure that these wider costs are reflected in prices which are paid for the products which incur them. This points to the need for new ways of measuring growth and accounting for national income and for the closer integration of environmental concerns in economic policies and decisions.

The concept of sustainable development has been broadly accepted by governments, international organizations, and by a large community of non-governmental organizations. The challenge, of course, is to put it into practice. Individual nations should use the decade of the 1990's to put into effect policies aimed at sustainable development. This can only be achieved through a broad participatory process, involving all layers of societies, both in the public and private sectors. Openness, freedom of information and the full right to democratic participation is therefore a precondition for sustainable development.

While there is cause for alarm, there is also reason for hope. The deeper understanding of the risks and mechanisms of environmental damage has led to increasing efforts to counteract and reverse the damages. What previously was seen as inevitable consequences of industrialization have in fact turned out not to be so. Most cities in the industrialized world are much more healthy now than a hundred or even twenty years ago. Many rivers that earlier appeared ecologically dead are now recovering. Environmentally damaging emissions are gradually cut back.

A transition to sustainable development will be difficult and costly. In Europe, there is a particular need for investments to help new democracies in Eastern Europe to rebuild industries which currently operate at disastrous environmental costs. In the South developing countries resources and technology to enable them to avoid repeating the mistakes of the North.

The role of energy is particularly crucial, everywhere. Industrialization has been based on the use of cheap fossile fuel, leading to irreversible changes in the planet's atmosphere. The developing

world will not be able to travel along the same path without further damage to the atmosphere. This illustrates sharply the predicament of development.

Developing countries recognize the compelling urgency to participate in international efforts to address global environmental threats. But a transition to environment-sensitive patterns of development will require large investments, which most developing countries simply cannot afford.

Many developing countries see an apparent conflict between environmental and developmental priorities. There are genuine fears that resources will be diverted and that a new layer of conditionality – environmental criteria – are being introduced without additional financing. There is also a growing sense of disquiet that the industrialized countries are asking developing nations to scale down their economic aspirations to share the burden of averting the global ecological threats which are mainly due to the industrial countries' patterns of consumption.

These concerns are valid. However, they are not an argument to shun difficult choices on development patterns. Instead they are an argument why industrialized countries must accommodate the economic development in the South and provide additional resources for environmental investments. There is today widespread agreement on this, and considerable international work is going on to find the right forms.

Moreover, we need to mobilize the private sector for investments in sustainable development in the South. A policy framework is needed with incentives and disincentives to promote private investments on a scale official flows alone cannot. We should not shun exploring new ideas in this respect, including e.g. debt-for-environment swaps.

The progress made in setting up the Global Environment Facility under the auspices of the World Bank, UNEP and UNDP is very encouraging. The recent agreement to establish an Interim Multilateral Fund to help developing countries make the transition required by the Montreal Protocol on the protection of the ozone layer was a welcome precursor.

We propose that fees are levied on the emission of pollutants affecting the global environment, in particular carbon dioxide emissions from the burning of fossil fuels.

Of the global environmental issues, the risk of global warming is particularly complex. The transformation of the patterns of energy consumption will have to be on a truly massive scale. The emissions of carbon dioxide from the combustion of oil, coal, and other fossil fuels will have to be reduced drastically in the North, perhaps on the order of one half over the coming decades. At the same time, the increasing population and accelerating development in the South will require a more equitable distribution of emissions than today. The implications are far-reaching. Economically and environmentally appropriate alternative sources of energy will have to be instituted to induce or force the required changes.

We propose an international energy dialogue promoting a more efficient use of the world's energy resources, and, in particular, the use of alternative and renewable energy sources, e.g. solar energy.

Domestic environmental problems in developing countries cannot be treated as if they were separate from general development problems. Financing them must be part of international development cooperation. For instance, international assistance to support joint projects to manage scarce common water resources can, in the long run, avert conflicts which may have international repercussions. Continued neglect of serious problems like soil erosion and desertification in some countries could lead, in the future, to a large-scale movements of "environmental refugees".

Few issues accentuate the interdependence of nations as the environmental problems. This also means that conflicting interests on related matters could be a factor threatening international security. If oil was at the centre of the Iraq-Kuwait crisis, water may become the cause of a future conflict, in the Middle East and elsewhere. Disputes over natural resources may escalate into major conflicts. In order to overcome such serious threats, nations need to find regional formats for negotiations.

We propose that the United Nations be encouraged to take up environmental issues at the highest level in all appropriate fora.

The 1992 United Nations Conference on Environment and Development will provide a unique opportunity to forge a global compact on environmental problems backed by agreement on the resources and institutions which would be needed to implement a programme of action.

The political will must be mobilized to find manageable solutions to both global and domestic environmental and developmental problems. A broad coalition of governments, international organizations and the various parts of the private sector must be built to secure such a political momentum to last also after the Conference.

We propose that nations resolve to make the 1992 United Nations Conference on Environment and Development a breakthrough for achieving sustainable development.

Such a breakthrough can be obtained through forward-looking decisions along the following lines:

- a code of environmentally sound conduct, an Earth Charter as an ethical basis for human survival;
- conventions on the global climate and on biological diversity;
- agreement on a firm action programme, the so-called Agenda 21;

- backing up these commitments with additional resources, with measures to facilitate the transfer of environmentally sound technology and with more efficient international institutions.

POPULATION

We have repeatedly emphasized how closely linked the issues in environment and development are to questions of population. With the very rapid increases in population in many parts of the world, especially in the poorest countries, the pressures on the already strained economic, social and environmental systems are greatly exacerbated. The momentum of population growth is such that a doubling of the world's population by the middle of the next century is a distinct possibility. The rapid rate of increase must be slowed, if we are to be able to achieve sustainable development.

Population issues cannot be addressed in isolation. They are intimately linked to economic and social progress. The population carrying capacity of nature is directly related to the kind of technology that is prevalent in a society. With progress in economic and social development, and especially in strengthening the role and rights of women, there should follow a slow-down in population growth.

There is a growing recognition of the seriousness of the population issues among the countries and cultures of the world. Governments are in fact taking up these difficult issues in their development strategies more explicitly. People from different religions and cultures in the world are discussing the problems and their solutions in more common terms. It is however, clear that the issue has to be faced much more directly if we are to achieve the targets of sustainability.

We propose that national and cultural leaders mobilize the political commitment and the technical means for making a breakthrough in limiting population growth.

The International Conference on Population and Development, prepared for 1994, will serve as a focus for this political effort. It should confirm the urgency of slowing population growth and give support to development strategies with that aim. It should bring together not only governments and international organizations, but, crucially, also religious leaders and representatives from non-governmental organizations. Specifically, attention should be focused on women's economic and social rights.

We propose that the 1994 International Conference on Population and Development promote the implementation of policies and programmes to reach population stabilization goals.

DEMOCRACY AND HUMAN RIGHTS

We recognize democracy and human rights to be truly universal values. They have their origin and history in societies on all continents. During the past years, they have become increasingly potent ideals. They have challenged political structures and transformed societies all around the world. We believe, that democracy and human rights will become still more important issues in the coming years, crucial as they are to sustaining development, and vulnerable as they are to failures in development.

The past years saw not only the revolutionary transformation of Eastern Europe, but also, over the decade, the democratic breakthrough in practically all of Latin America. In other parts of the world, demands for greater democracy have developed into strong forces. In Asia, authoritarian regimes have been shaken and forced to political reforms. In Africa, many countries are reassessing and reforming political systems that were instituted after the struggle for independence was won.

There and elsewhere, the political systems are not sufficient to meet people's demand for political participation and desire to see old power structures change. Even in Western Europe and North America, where representative democracy is well established, decreasing participation in elections and the lack of focus on long-term issues indicates the need for a democratic revival.

Democracy and human rights are essential to the prospects of development. Only on the basis of social and economic systems that recognize the potential of the people, on both the social and individual level, can efforts in development have a chance to progress.

While there are examples of authoritarian countries where economic growth has been strong, and while there are examples of countries with free elections where there has been developmental retrogression, it has become clear in one country after the other that certain democratic requisites are crucial to sustain development. Analyses differ on what these requisites are, but certainly the following are necessary parts of the concept: respect for human rights, constitutional government and the rule of law, transparency in the wielding of power, and accountability for those who exercise power.

Democracy cannot develop on external command, it has to evolve as a result of internal demand. Democracy is not a top down approach but has to develop from the grassroot level - from local and communal structures that allow equal participation of men and women to a strong parliamentary representation at national and federal level.

Nevertheless, we believe that there is a duty for the international community to support the respect for human rights and the development of democracy. Human solidarity demands it. The imperative of interdependence necessitates it.

Support should be extended first and foremost to the social institutions demanding democratic change. Because civil society is built by the process of development itself, support to democracy, in a general sense, cannot be separated from the way development is supported. This is why failure in development is such a dangerous threat against a democratic development.

It is a serious reality that the conditions endured by many countries undergoing structural adjustment programmes in the interest of economic recovery, create grave political tensions in their societies. If democracy is to be sustained, freedom will have to be harnessed to constitutionalism. But, the rule of law becomes endangered if it is synonymous in the eyes of people with sustained deprivation and with the sense of injustice it breeds. This is not the stuff on which democracy thrives.

As the Report of the South Commission acknowledges, as does e.g. also the OAU "African Charter on Popular Participation in Development and Transformation", without democracy, a people's potential for social and economic development cannot be fully realised. Yet, without tolerable social and economic conditions and a vision of the future that makes hope plausible, democracy itself will be unsustainable.

A development strategy such as we have suggested is, therefore, crucial to democracy. There are also many ways to give specially directed support to a democratic development. In particular, non-governmental organizations in developing countries should be supported and strengthened. There are, already, a large number of these organizations which have emerged during the 1980's. It is important that they also gain support within their own societies, and get involved in decision-making there.

How the international community should effectively confront undemocratic governments is a problematic issue, as we see presently in the plight of oppressed minorities in Iraq. Sometimes outright sanctions against oppressors have been called for, as in the case of apartheid South Africa. On a global scale and for the longer term, it is, however, dialogue and norms-building that can prove effective in strengthening democracy and human rights.

Norms-building came into disrepute as the big powers continued to support dictatorships and undemocratic regimes in their respective fields of influence. They thus polarized the political debate and effectively blocked democratic development in many parts of the world. Today, the situation is different. With the ending of the Cold War, most governments can no longer blame a hostile world for not carrying through domestic democratic reforms.

The work of the United Nations in its conventions and declarations is more important than is generally given credit for. In the improved international climate, the work of the United Nations in monitoring and promoting respect for human rights can be even more forceful. The increased involvement of the UN organization in supervising elections and the behaviour of countries also in other ways is in itself an important contribution to the building of democratic norms.

We propose the strengthening of the United Nations role in monitoring how countries live up to their commitments to conventions and declarations concerning human rights and democracy, recognizing that democracy can develop only through popular internal will.

Regional organizations will also have an important role to play. The work of the Conference on Security and Cooperation in Europe was successful in promoting the legitimacy of and the respect for human rights and democracy. Because of the confidence that is built through regional security arrangements, opposition by apprehensive regimes to democratic reform may grow less strong. We believe that similar regional negotiations should be tried also elsewhere.

The strength of observing and judging should not be underestimated - witness the influence of Amnesty International and the International Commission of Jurists as regards the respect for human rights and the rule of law.

The United Nations should act firmly on the basis of internationally established standards of human rights. There are, however, situations of transition to democracy where the UN might find it difficult to pass judgment or involve itself. Overseeing elections other than those that are part of a wider process of conflict resolution or decolonization can be difficult for an intergovernmental organization like the UN to handle. To certify fairness in a highly politicized situation is controversial for the UN. The United Nations organization must fully respect the sovereignty of its member nations. At the same time, the surveillance by others of election processes is important and can facilitate democratic transition.

We propose the strengthening of independent international institutions that offer to monitor countries' observance of democratic rules and principles, in particular at time of elections, respecting the constitutional order of each country.

As countries open, many suppressed and unresolved conflicts may appear. National aspirations of peoples and minorities, ethnical strife, religious fundamentalism etc. may prove to be strong forces, strong enough to throw many countries and regions into intolerance, extremism, violence and even war. Leaders of these countries will be faced with difficult options. The risk is real that in certain regions such conflicts will overtake the positive opportunities that have been appearing in the world. A dangerous period of global instability could follow. It only further underlines how urgent it is to press ahead with international cooperation in the fields discussed above.

GLOBAL GOVERNANCE AND INTERNATIONAL INSTITUTIONS

While history calls us back to old nationalisms and unreconstructed sovereignty, the present reality is that the world is becoming one human neighborhood. There are no sanctuaries to insulate countries and regions from military disaster, economic crisis, poverty-driven migration or environmental collapse. Furthermore, the speed with which events today take place has fundamentally changed the time-frame within which human beings act and societies are affected. We urgently need a strengthened system of global governance.

In the previous sections of this memorandum, we have reviewed a number of areas that require concerted efforts by the international community. Our proposals have called for significantly improved global cooperation. Most of them refer to the work being done in specific international institutions, and should be taken up by countries in those institutions. However, the present institutional set-up is not adequate to enable the nations of the world to deal effectively with the global issues, to set new rules and to enforce them.

Many factors have frustrated cooperation in the United Nations, in the international financial institutions and other international bodies during the past decade. Decisions on most crucial issues are taken outside of these organizations by a small group of countries. Summits and meetings of the Group of Seven (G7) or even smaller constellations have become the focus of attention, rather than the top level meetings of the international organizations.

Such an order of global leadership will not only be increasingly unacceptable to the more than 150 other nations of the world. It will also be increasingly ineffective. When interdependencies have grown to such a degree as they have, global security, economic stability and sustainable development can only be achieved by the active participation of all parts of the world. We believe that the genuine common interest in a new global order of cooperation today is such as to rationally motivate nations to build a system of global governance.

Cooperation on issues that require countries to act in accordance not only with national interest but also according to global norms will demand a system that more clearly defines rights and obligations of nations. When agreed upon, such rights and obligations must be respected. Norms must gradually acquire the status of law. The world therefore also needs a system of sanctions to deal with those situations when a country, for whatever reasons, chooses not to comply with the order it has agreed upon.

Clearly, this will require a new concept of sovereignty. Given the interdependencies of today, the scope of sovereignty is in reality much more limited than either politicians or the public want to admit. For most nations this will be a difficult political transition - for the major powers as well as for many countries where nationhood is barely a generation old.

The reality of the human neighbourhood requires us urgently to seek a compact on establishing a strengthened system of global governance. That is not a new idea. Its necessity has been recognized by farsighted world leaders, from the founders of the United Nations in the 1940's to the members of the independent Commissions in the 1980's. We believe that the time now is ripe to move forward. The cessation of the Cold War removes the greatest obstacle that has hindered global cooperation. The transformed relations between East and West have created unprecedented opportunities to realize what was set out in the Charter of the United Nations and to establish a new order of global governance.

The fragility of these opportunities was made obvious by the conflict in the Gulf. Practically every aspect of interdependence was exposed by the repercussions of that conflict - peace and security, economy and environment, democracy and human rights. However, if political leadership can grow to meet the challenge, the lessons to be drawn from that conflict will be a part of the process of establishing a new order of global security and cooperation.

What is clear is that the process itself cannot be deferred. The old order is passing and a new world order must be established. Either we allow that new order to be determined by the fortunes of power, or we help to shape it in a conscious way responsive to human needs.

One must surely take the second course, and that means returning to San Francisco - not to the drawing board but to the process of designing for survival. The time is right for that journey. Already there is acknowledgement that there is now an opportunity to create a new world order. The intellectual work of appraisal and reform has actually begun - through the international Commissions that deliberated throughout the 1980's, and work that has followed, for example the important study "A World in Need of Leadership" by Brian Urquhart and Erskine Childers. The effort now needs to be more structured, and a pathway to decision to be developed.

Reforming the United Nations

The United Nations system was founded at the end of a world war when people clearly saw the need and opportunity to create a system that could guarantee international peace and security. It sought to commit nations to respecting universal human rights. Over the years since 1945, the United Nations system has expanded its activities to deal with most spheres of human society. In striving for a new global order of cooperation, the United Nations is an invaluable asset.

However, the United Nations is today not strong enough to deal with the tasks that face it. Its member states have for too long not let it become what it set out to be. Demands were loaded upon the system, which then was neither given the political authority nor the financial means to carry them out. Furthermore, the organizations and agencies within the system are beset by unclear mandates and conflicting roles. Today, we do not have the structure that is needed.

The United Nations needs to be modernized, and its organization updated. We welcome the initiatives in this direction that has already been taken. This crucial time of opportunities in the

world must be used to secure a process of reform. The following proposals aim at completing such reform by the 50th anniversary of the United Nations, in 1995.

We propose that the United Nations takes on a broadened mandate at the Security Council level, following the wider understanding of security which has developed, and that its composition and the use of the veto be reviewed.

In particular, there is a need to be able to handle the security dimension of economic and ecological issues at the Security Council level. Whether this should be done by broadening the mandate of the present Security Council or by new organizational arrangements is a matter for debate. The composition of the Security Council and the veto rights of its permanent members reflect a situation that was created after the Second World War. With the changed power structure in the world and the new interdependencies, the composition of the Security Council and the extension and use of the veto need to be reviewed.

We propose that the Secretary-General be given a stronger position and the means to exercise authority, and that the method of appointment of the Secretary-General and of higher-level staff be reviewed.

We propose that the system-wide responsibilities and authority of the Secretary-General concerning interagency coordination and cooperation should be firmly established.

The Secretary-General should have the power to take initiatives and act swiftly when an international crisis calls for it, if need be without prior consent by the Security Council. For this to be possible he needs access also to the means, as well as the authority to begin creating a real preventive machinery. The Secretary-General and his staff, especially if their powers are enlarged, need to be highly qualified with an independent capacity of analysis and a high degree of intellectual creativity. Their competence sets the managerial standards of the whole United Nations system. Methods for their appointment need to be reviewed.

We propose that the financing system of the United Nations be reviewed, and that countries who do not adhere to the financial rules be deprived of the right to vote.

The financial crisis of the United Nations has debilitated the organization. Withholding contributions has become a destructive way for some to exercise influence. It must not pay not to pay. Those who choose not to adhere to the financial rules should be deprived of the right to vote, strictly in accordance with the UN Charter.

The United Nations would also be well served not to be so dependent on the large contributions from a few countries. The financing system needs to be reviewed, including the possibility of some developing countries in a position to do so taking on a greater part of the costs.

We propose that the activities of the United Nations in the economic and social fields be strengthened and rationalized.

The number of organizations is too large and their roles not well enough defined. A more clear-cut division of labour between the bodies that finance cooperation and assistance (mainly the UNDP) and the specialized agencies is needed. The long and cumbersome meetings of the UN organizations are inefficient and need to be modernized.

Universality in World Economic Cooperation

The roles of the International Monetary Fund and the World Bank have grown. They are becoming truly universal, since practically all countries of Central and Eastern Europe now have joined or, like the Soviet Union, stated the intention to join. These institutions have proved to be of essential importance for the stability and development of the world economy.

Largely by way of others' default, they have expanded their activity beyond original intentions, and their tasks today are, possibly, too large. It may, for example, be questioned whether the IMF should be so heavily involved in low-income countries, or whether the World Bank should engage in so many sectors. There is a need for a clearer division of labour between them, the regional banks and the UN organizations, in particular UNCTAD.

However this division is arranged, it is necessary that they work in harmony. The global character of the organizations for world economic cooperation must be ensured. They must not be allowed to act as agencies of a small group of countries. Their political integrity must be ensured.

With the broader and more active participation of countries in the present round of world trade negotiations, the GATT stands out as an increasingly important institution. The GATT has served the world well by opening up trade. Its work should be expanded and strengthened.

The current process is involving developing countries in a much more comprehensive way than ever before, which, naturally, is a reflection of the fact that many questions of great interest to them are being negotiated. The countries of Eastern Europe are now also joining or becoming active members. The GATT could thus, in the very best scenario, develop into a strong global organization, becoming the International Trade Organization that was envisioned in Bretton Woods when the IMF and the World Bank were created. Multilateralism in world trade arrangements have been under great pressure during the past years. Developing countries and smaller industrialized countries have a clear common interest in a strengthened multilateral framework.

We propose that the International Monetary Fund and the World Bank be coordinated, among themselves and with the United Nations system and GATT, with the aim of a clearer division of labour, better harmony and full universality in their work.

Global organizations cannot replace regional ones. It is likely that regional organizations will play an even greater role in the 1990's. The differing experiences of countries will demand and make possible differing degrees of economic cooperation and integration. Regional banks,

regional trade or monetary agreements, regional centres for sharing experience and building capacity should be developed and strengthened. Such cooperation may cover a sub-grouping of countries with particularly strong common interests. It may as well be regional groupings covering countries both from the North and the South, such as the areas around the Mediterranean, in the Pacific or across the Americas. Global cooperation will in turn benefit from such cooperation with and within the South.

In the Spirit of San Francisco

Reviewing and restructuring the international institutions is a cumbersome task. Many vested interests have been built into the present system. Many countries feel anxious when changes are proposed, particularly in the system of the United Nations. Lacking a better correspondence between the present international organizations and the realities of the world, actual leadership either moves outside the organizations into small groups of very powerful countries, or fails to be exercised at all - or both. Yet, the global challenges urgently demand a stronger system of global governance.

We propose that a World Summit on Global Governance be called, similar to the meetings in San Francisco and at Bretton Woods in the 1940's.

This summit, in a constellation that embodies the necessary political weight, would manifest a new resolve and set in motion preparations to strengthen the international institutions. It could set into motion a process that may take long to mature. Perhaps this summit will have to be followed by others, where opportunities are given to political leaders from all parts of the world to continue to feed the process. One important such opportunity is the 1992 United Nations Conference on Environment and Development.

The result of the process may be a decision to hold regular world summits, with carefully balanced regional representation. These summits would not be used to negotiate detailed political issues. Instead, the aim would be to set agendas, stake out directions, and charge the international institutions with the work to be done.

We believe that the best form of preparation for such a summit would be the work of an independent commission, non-governmental in the nature of the Commissions whose work we have referred to in this memorandum. The World Commission on Environment and Development was invited by a resolution of the General Assembly to undertake its task. We believe that a similar process might be adopted to establish an international commission on global governance with a mandate wide enough to cover the range of matters we have canvassed above. Whether the commission is initiated by the UN or otherwise it must be composed of individuals functioning in their personal capacities. The issues to be considered require dispassionate and enlightened examination before they reach the stage of inter-governmental

dialogue. Once that initial work is done the commission's report could become the basis for the World Summit on Global Governance that we have recommended. Until such a summit can be convened, the commission's work, together with the preparations for the UN Conference on Environment and Development, will also contribute to the discussion within the United Nations on these issues.

We propose, as a matter of priority, the establishment of an independent International Commission on Global Governance.

The outcome and effect of an independent commission cannot be predicted. The work of earlier commissions, in particular the Brandt, Palme and Brundtland Commissions, has shown, however, that the ideas, jointly arrived at and jointly presented, have a particular weight and a lasting impact.

In this memorandum, we have sought to bring out the most urgent themes from these Commissions and to turn them into proposals for action. We have presented them under the headings of peace and security, development, environment, population, democracy and human rights, and global governance.

We now see an opportunity, a historical opportunity, to change the ways the increasing interdependencies are met. This opportunity may be fragile, but it is present in a way not seen since the creation of the United Nations. It must not be lost. Nations must seize it. They must live up to their common responsibility in determining the future of humankind.

SUMMARY OF PROPOSALS

PEACE AND SECURITY

We propose:

1. improved United Nations capabilities for anticipating and preventing conflicts, in particular the establishment of a global emergency system;
2. the elaboration of a global law enforcement arrangement, in line with the United Nations Charter, focussing on the role of sanctions and on military enforcement measures;
3. organizational and financial measures to strengthen the United Nations capabilities for peace-keeping and peace-making operations;
4. Regional Conferences on Security and Cooperation to be tried in regions also outside Europe;
5. that the monitoring of world arms trade, particularly by the United Nations, be strengthened with the purpose of eventually agreeing on global norms, regulating and limiting trade in arms, and focussing on both supplier and recipient countries;
6. a pledge by governments in the industrialized countries to allocate a specific part of the peace dividend for international cooperation;
7. a commitment by governments in the South to substantially reduce their armed forces, with the purpose of creating a peace dividend to be invested in human development.

DEVELOPMENT

We propose:

8. that the world community sets the goal to eradicate extreme poverty within the coming 25 years, through a committed effort to achieve sustainable development;
9. that the following targets for the year 2000 be emphasized and that countries' achievements be monitored closely:
 - primary education for all children,
 - equal participation of boys and girls in schools,
 - reduction of child mortality by at least one third,
 - reduction in maternal mortality by one half;
10. a strengthening of the multilateral framework of trade-related agreements, reducing protectionism on all fronts, and expanding opportunities for developing countries' participation in world trade;

11. a strengthened debt strategy, introducing a strong element of debt forgiveness to radically cut the debt overhang:
 - by terms and conditions in Paris Club reschedulings that go far beyond today's in providing relief and applying to a broader range of countries,
 - by commercial debt restructuring that better corresponds to the secondary market value of that debt,
 - by increased financing on appropriate terms by the international financial institutions;
12. that all industrialized nations set public time-targets to provide one per cent of their GNP for international development cooperation.

ENVIRONMENT

We propose:

13. that fees are levied on the emission of pollutants affecting the global environment, in particular carbon dioxide emissions from the burning of fossil fuels;
14. an international energy dialogue promoting a more efficient use of the world's energy resources, and, in particular, the use of alternative and renewable energy sources, e.g. solar energy;
15. that the United Nations be encouraged to take up environmental issues at the highest level in all appropriate fora;
16. that nations resolve to make the 1992 United Nations Conference on Environment and Development a breakthrough for achieving sustainable development.

POPULATION

We propose:

17. that national and cultural leaders mobilize the political commitment and the technical means for making a breakthrough in limiting population growth;
18. that the 1994 International Conference on Population and Development promote the implementation of policies and programmes to reach population stabilization goals.

DEMOCRACY

We propose:

19. the strengthening of the United Nations role in monitoring how countries live up to their commitments to conventions and declarations concerning human rights and democracy, recognizing that democracy can develop only through popular internal will;

20. the strengthening of independent international institutions that offer to monitor countries' observance of democratic rules and principles, in particular at time of elections, respecting the constitutional order of each country.

GLOBAL GOVERNANCE

We propose:

21. that the United Nations takes on a broadened mandate at the Security Council level, following the wider understanding of security which has developed, and that its composition and the use of the veto be reviewed;
22. that the Secretary-General be given a stronger position and the means to exercise authority, and that the method of appointment of the Secretary-General and of higher-level staff be reviewed;
23. that the system-wide responsibilities and authority of the Secretary-General concerning interagency coordination and cooperation should be firmly established;
24. that the financing system of the United Nations be reviewed, and that countries who do not adhere to the financial rules be deprived of the right to vote;
25. that the activities of the United Nations in the economic and social fields be strengthened and rationalized;
26. that the International Monetary Fund and the World Bank be coordinated, among themselves and with the United Nations system and GATT, with the aim of a clearer division of labour, better harmony and full universality in their work;
27. that a World Summit on Global Governance be called, similar to the meetings in San Francisco and at Bretton Woods in the 1940's;
28. as a matter of priority, the establishment of an independent International Commission on Global Governance.

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*Could not attend, but has agreed to support the paper.

The Stockholm Initiative on Global Security and Governance brings out the most urgent themes from the international independent commissions of the 1980's, chaired by Willy Brandt and Olof Palme, by Gro Harlem Brundtland and Julius Nyerere. The memorandum on COMMON RESPONSIBILITY IN THE 1990's focuses on major areas for multilateral cooperation and on ways and means to strengthen international institutions.

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