



INTER ACTION COUNCIL

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1. In the final years of the twentieth century, humanity is confronted by the greatest set of crises in history. Yet measures adequate to meet them have not been adopted. Without effective and correct responses by political, scientific, spiritual and cultural leaders at global and national levels, based on a common ethical basis, there can be no enduring future.

2. To this end, the InterAction Council intends to follow its March 1987 meeting with spiritual leaders by convening further such consultative meetings to explore, on an interdisciplinary basis, possible solutions to some of the grave issues which threaten humankind. The Council recognizes that universities, as places for leadership training, have a special responsibility to equip future generations for the demands of global interdependence.

I

Peace and Disarmament

3. Peace has lost its true meaning in a world which since World War II has not seen a single day without war, conflict, poverty and wide scale human and environmental degradation. Genuine peace can only be accomplished through an ongoing process of dialogue and receptive understanding permeating all areas of society and international contacts.

4. The InterAction Council again urges that all States and especially the superpowers make all efforts to bring about effective arms control, disarmament and reduction of military budgets. The Council specifically calls for the following action:

- a) The United States and the Soviet Union should honor their treaty commitments to achieve cuts in strategic weapon levels and continue negotiations aimed at even further reductions.
- b) President Reagan and General Secretary Gorbachev have a grave moral obligation to humanity to pursue actively their search for mutually acceptable solutions to prevent an arms race in space, to stop the arms race

on earth and to agree on concrete measures to reduce drastically nuclear, chemical and conventional arms.

- c) A substantive summit meeting should be convened in 1987 in view of the progress made in the Geneva discussions since Reykjavik and the Council renews its suggestion that a dialogue at the highest levels be institutionalized on an annual basis.
- d) While maintaining their long-term vision of a world free from nuclear weapons, the two leaders should devote their energies to reach tangible agreements this very year 1987.
- e) The first priority is to conclude without delay an agreement on balanced, gradual and eventual elimination of medium-range missiles (intermediate-range nuclear forces/INF) starting on the basis of the Reykjavik formula and immediately to enter into negotiations for the reduction and eventual elimination of short-range missiles in Europe.
- f) The United States and the Soviet Union should conclude a 50 per cent reduction of strategic nuclear forces as agreed at the Geneva and Reykjavik summits while setting the stage for further reductions.
- g) The 1972 Anti-Ballistic Missile (ABM) Treaty must be strictly observed and both powers concerned should agree on a joint interpretation of the Treaty. All steps possible must be taken to prevent an arms race in outer space, which should exclusively be preserved for peaceful purposes.
- h) East and West should prepare and initiate new negotiations on conventional forces, addressing confidence and security-building measures and the mutual reduction, acceptable to both sides, of the conventional forces in armaments from the Atlantic to the Urals, and to establish, in the process, an equilibrium in this area. These measures should be extended as soon as possible to Asia and other parts of the world.
- i) Chemical weapons should be banned and eliminated under reliable safeguards for non-renewal of production and strict verification measures to be agreed by the parties.

5. These steps could lead to the curtailment of the arms race and of the huge expenditures it requires, achieving meaningful arms reductions and diminishing the danger of war while improving the security for other countries. The Council urges movement towards a comprehensive test ban as agreed in the Non-Proliferation Treaty (NPT) perhaps through agreements on lower threshold levels, limits on quantity of tests and ratification of existing treaties.

6. The United States and the Soviet Union should take other specific steps including the establishment of mechanisms for the prevention of a nuclear conflict by accident or

error. The InterAction Council strongly encourages wider debate and discussion among all nations on the perceptions and realities involved in arms reduction issues which are of concern to all humankind. The Council believes that the allies of the United States and the Soviet Union and all other nations can make a substantial contribution in this regard.

II

The State of the World Economy

7. For moral, political and economic reasons, humanity must strive towards a more equitable economic structure reversing the present appalling poverty which afflicts vast numbers of human beings throughout the world. Change can only be accomplished through a series of decisions and dialogue predicated on enlightened self-interest on the part of the industrialized and mutually supportive policies on the part of the developing countries.

8. Dangerous signs characterize the world economy:

- The present unsustainable budget and trade deficits of the United States and the huge current account surpluses of Japan and major West European economies create an environment of economic tension and danger;
- Protectionist pressures are clearly on the rise and are taking dangerous courses;
- The debt crisis is reaching unimaginable proportions and solutions are as remote as they ever were;
- Conditions of life of the majority of people in most developing countries, especially the lower income countries, continue to deteriorate rapidly;
- Falling commodity prices further aggravate the desperate economic condition of a large number of countries;
- Real interest rates, although much lower than before, are at too high a level;
- The volatility of the dollar exchange rate is a source of acute instability for the fabric of the world's trade and financial structure and activities;

- Overall, failure to response to the realities of an interdependent world economy is producing a state of anarchy in many areas, with severe implications for human welfare.

9. The InterAction Council reiterates that without immediate and co-ordinated measures to tackle these problems the future well-being of all countries will be at stake.

Trade and protectionism

10. The InterAction Council sees a real danger that in the present conditions of foreign exchange and financial markets a wave of increasing protectionism in its various forms could trigger a global recession.

11. For these reasons, the strict observance of GATT principles and the new GATT round are of special importance. It is necessary to halt and reverse the move towards greater protectionist measures and to develop an open, viable and durable multilateral trading system. In particular, the InterAction Council urges the elimination of bilateral deals between major States and emphasizes the dangers inherent in current disputes between those States. The Council urges them to solve present disputes without resort to increasing protectionism.

12. The United States, the European Community and Japan subsidize agricultural production to an unacceptable extent, thereby jeopardizing the development prospects and debt repayment capability of numerous debtor countries. Fundamental changes in agricultural policies in a market-oriented direction are required. Any delay will have grave repercussions.

13. Anti-dumping restrictions should apply to all goods, including agricultural products.

Debt crisis and management

14. The debt crisis with its ominous consequences must be resolved with a sense of urgency. Debt servicing cannot be met at the price of suffocating a country's economy and no government can morally demand of its people privations incompatible with human dignity. All parties involved must make a tangible contribution and honor the moral principle of burden-sharing.

15. Debtor countries are unlikely in the short term to generate trade surpluses of a magnitude required to service their debts. Adjustment leading to growth and increasing exports is essential, yet in most cases this requires considerable time. The international community must be aware that unless urgent support is given to debtor countries to preserve their economic and social fabric and to promote development, we may see the destruction of the painful and successful efforts made in recent years to re-establish democracy and economic freedom.

16. The Baker initiative sought to stimulate growth-oriented adjustment based on a substantial increase in new financial flows from international commercial banks, but for a variety of reasons it has not to date achieved its desired effect.

17. The InterAction Council therefore urges the industrialized countries to consider the debt issue on a priority basis and as a separate agenda item at their next summit in Venice.

All the participants should support and promote without delay measures to provide the necessary conditions and resources for growth-oriented adjustment in debtor countries.

18. We believe that such measures must include, among others:

- a) A determined effort to achieve higher non-inflationary growth, lower interest rates and reduced protectionist pressures through closer macro-economic policy co-ordination;
- b) Additional official lending through a substantial World Bank General Capital Increase (GCI);
- c) Improved mechanisms to cover external economic shocks arising from export earnings and interest rate fluctuations through appropriate compensatory financing arrangements;
- d) Greater IMF soft loan reflows under the structural adjustment facility to avoid negative transfers to the IMF;
- e) Increased concessional ODA flows, bilateral and multilateral, to low-income countries, with wider and more comprehensive retroactive terms adjustment in respect of past ODA, and longer term and more concessional rescheduling at the Paris Club;
- f) Debt relief for those debtor countries that pursue appropriate adjustment policies and where debt relief appears to be a necessary supplement to export oriented growth.

19. The principle of joint responsibility demands that all parties - debtors, creditors, commercial banks and international financial institutions - contribute concretely to an alleviation of the debt problem:

- Debtor countries should adopt adjustment programmes reconciling debt service with domestic requirements, providing for sustainable development, reversing capital flight and establishing appropriate monitoring mechanisms.
- Supervisory banking authorities in creditor countries should facilitate more flexible write-offs of developing country debt, especially in the United States.

- Increased opportunities of trade for debtor countries, coupled with a roll-back of protectionism in areas where they enjoy comparative advantages, will enable them to expand their export revenues.
- International financial institutions must provide new resources, so as to underpin commercial lending.

20. The InterAction Council suggests that a more intensive dialogue on these questions involving all parties be initiated and that this should be done as a matter of urgency.

21. The InterAction Council will itself contribute to the urgent search for solutions through, for example, exploring practical proposals for debt relief.

22. Regional conflicts and wars accelerate underdevelopment and exacerbate, in the process, the level of indebtedness. There is a waste of massive sums on military expenditures by developing countries which are not necessarily for defensive purposes. Substantial reductions in these expenditures, the cost of which exceeds the official development aid very substantially and sometimes takes the form of aid, must be accomplished as an important measure for development to succeed. At the same time, industrial countries must cease to be vigorous arms exporters and assist more in the avoidance and dampening of regional conflicts.

23. The InterAction Council recommends that steps be taken to resolve existing or potential regional conflicts through peaceful settlements, the use of regional instruments and a regime of international collective security strictly observing the principle of self-determination. Emphasis should be given to the establishment and strengthening of regional non-aggression pacts.

24. The solution of such conflicts should be based on strict application of established principles of international law, in particular the withdrawal of foreign troops from all occupied territories.

III

Development, Population and Environment

Development

25. Increased development assistance flows to developing countries become even more imperative in the face of adverse global economic conditions. Japan, the United States and several countries of Western Europe should provide expanded development assistance, encourage equity investments and human resource development.

26. The potential of the private sector can and should be used to promote indigenous development and the efficient use of scarce resources, for instance through joint ventures with State and other enterprises and through the transfer of technology.

27. Emergency assistance programmes are indispensable to ensure the survival of many people and communities currently enduring object poverty. There is a paramount need for fostering a sense of global solidarity for survival.

28. As a matter of urgency, the international community should speedily implement the Special Programme of Recovery for Africa adopted by the United Nations General Assembly in May 1986.

Population

29. Adherence to moral values for the family and recognition of the common responsibility of women and men are indispensable in dealing with issues related to population policies. Rapid population growth in many developing countries vitiates any advance in development. This fuels the vicious cycle between underdevelopment, population growth and the erosion of human life-support systems. Responsible public policies require systematic projections of population, environmental and economic trends with particular attention to their interaction.

30. Cognizant of the different approaches of religions towards family planning policies and methods, the Council agreed that present trends make the pursuit of effective family planning inevitable. The Council is convinced that all the major religions and philosophies on earth allow family planning. The positive experience of several countries and religions should be shared and scientific research into family planning should be accelerated.

Environment

31. The development of alternative energy resources, such as solar energy and hydrogen, and new relevant transportation systems and technologies to mitigate the effects of impending climatic changes should be pursued; the decay of the ozone layer further explored; a continued decline in the number of biological species prevented; and the threats to the biosphere should be countered. In this context, the InterAction Council looks forward to the early publication of the report of the World Commission on Environment and Development.

IV

Terrorism and Drug-trafficking

32. The InterAction Council recommends to Governments that they adopt stronger national and international measures and collaborate and co-ordinate the combat of terrorism and illegal drug-trafficking as matters affecting international peace and security.

33. Terrorism and drug-trafficking are frequently and intimately interlinked and call for more effective multilateral co-operation.

34. A new attitude, aimed at curbing and ultimately eliminating both supply and demand for illegal use of narcotic drugs, through education and international co-operation must be fostered.

V

South Africa and the Policy of Apartheid

35. The InterAction Council has consistently called for the abolition of the system of apartheid. To that end, the Council urged South Africa to take a number of specific domestic measures so as to create the conditions for the commencement of negotiations with black leaders.

36. Regrettably, the South African Government opted for a policy which aggravates tension inside South Africa and endangers neighboring African nations desperately seeking to preserve their independence and striving to realize basic economic and social improvement. The increased levels of international condemnation of apartheid and the evolving international sanctions programme have contributed to growing disaffection within the white community with the Pretoria regime's response of defiance and heightened repression - and this despite the rather modest sanctions adopted by some key industrialized countries.

37. There is a growing trend in the business community towards disinvestment of subsidiaries and operations in South Africa, reflecting the concern of the private sector over counter-productive situations created by continued apartheid. In their response, business leaders should be guided not only by the letter but also by the spirit and intent of existing voluntary or mandatory disinvestment policies. The vision and judgment of business leaders will ultimately be judged by the measures adopted now.

38. The Government of South Africa is engaged in political, economic and military destabilization of its neighboring states in southern Africa, in particular Mozambique. The real danger exists that the economic collapse of any African country, most conspicuously Mozambique, might trigger a domino effect jeopardizing the stability and viability of other states, ultimately resulting in the emergence of a cordon sanitaire for South Africa. Obviously, the South African regime cynically calculates that concern for these new acute trouble spots will divert international attention and energies from the present preoccupation with apartheid easing the immediate international pressure. Under such circumstances, South Africa could portray itself as the only stable element in the southern African region.

39. This situation can neither be sustained nor tolerated. In an interdependent world, leaders of all countries cannot escape their responsibility and moral duty to work towards a peaceful transition and to do so with strength, determination, effectiveness and imagination until a peaceful, just and democratic and multiracial society has taken root in South Africa.

40. The InterAction Council, therefore, advocates the following measures:

- All industrialized countries should adopt, at a minimum, a sanctions package in line with the measures adopted by the United States Congress in the context of increasing the economic pressure on the South African regime, thus raising the price of apartheid and providing incentives for good faith negotiations.
- Countries having adopted mandatory national sanctions should seek purposefully to ensure that their allies or countries enjoying considerable benefits from bilateral trade relations, as a minimum, do not undercut such sanctions by providing the goods affected by sanctions.
- The United States, the United Kingdom, the Federal Republic of Germany, other countries and the European Community which, for different reasons, may wield influence with the Government of South Africa should intensify their efforts to convince it of the necessity to adopt urgent measures for the ending of apartheid and the establishment of a genuine democracy in a united and non-fragmented South Africa. More specifically, those efforts should be directed to seeking immediately:
 - a) The release of Nelson Mandela and other political detainees;
 - b) An end to the state of emergency and the widespread repression of opponents of apartheid, including children, and the removal of troops from the townships;
 - c) The unbanning of the African National Congress (ANC) and other political organizations;
 - d) The earliest possible negotiations with true representatives of the black community on the establishment of political freedom;
 - e) The repeal of the Population Registration Act, the Native Land's Act and the Group Areas Act; and
 - f) The granting of universal and equal citizenship to all South Africa.

41. In the context of such responses, the international community should look to the lifting of sanctions in the post apartheid situation and to a major multilateral effort to accelerate development and the emerging of a free non-racial South Africa.

- Such international efforts should also be directed to seeking an immediate end to the illegal occupation of Namibia in accordance with pertinent resolutions of the United Nations.
- The Government of South Africa should cease forthwith its policy of destabilization of neighboring countries, in particular the creation and sustained financial supply of proxy forces. Other governments should equally desist from encouraging and financing rebel groups in the southern African subregion as such support ultimately benefits South Africa and its outlawed policies. What has happened in Angola demonstrably shows how such policies lead to escalation of South Africa military involvement in Angola. Its support of UNITA has led directly to other involvement which otherwise would not have occurred.
- The international community should speedily act to counter South Africa's designs and to foster economic development of the countries most affected:
 - a) To prevent a further deterioration in the security situation the United Nations should urge all countries to extend such assistance to Mozambique and other countries which would enable them to repel more effectively military attacks by South Africa-supported forces, so as to enable them to establish internal stability for purposes of devoting more resources to economic and social development.
 - b) Governments, in particular the traditional donors countries, should substantially increase economic assistance to the frontline states to free their economies from the stranglehold of South Africa. By the same token, international organizations should allocate, without delay, available emergency and standby funds and launch special mobilization campaigns to assist these states.
 - c) As one of the means of providing assistance, governments should give support to the Africa Fund recently established by the Non-aligned Movement.
 - d) The international business community should be encouraged to contribute to economic development in the frontline States.

VI

Multilateralism

42. The United Nations and its system of specialized agencies is the centrepiece of the indispensable machinery for the maintenance of peace and the promotion of co-operation among nations.

43. Forty years have undeniably created some inertia and exposed bureaucratic rigidities. We encourage Member States to re-evaluate and re-adapt the United Nations system to meet growing and changing world problems. The Council urges all governments to resist any further erosion of the multilateral system, including structures outside the United Nations. The realities of interdependence leave no alternative to the solution of problems on a multilateral basis, e.g., environmental issues, epidemic health problems, terrorism, trade, management of currencies, debt and agricultural production.

