



INTER ACTION COUNCIL

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The end of the Cold War does not seem to offer a new world order nor does it offer a peace dividend, though there is a dividend in terms of political freedom.

I. CHINA

1. Over the past decade, China pursued policies that dramatically advanced its economic and social development. The legacy of past political and social upheavals has been replaced by a dynamic, growing economy which seeks to reconcile market principles with the tenets of socialism. Standards of living are surging and individual prosperity is picking up, underpinned by a successful agricultural sector and ever more resilient industrial production. This holds the promise of catapulting China into one of the leading economies by the end of the present decade.
2. Yet, the Chinese Government itself recognizes potentially disruptive factors. The InterAction Council is concerned by regionalism and the ensuing disparities especially as they affect the agricultural sector; ecological decay and environmental degradation stemming from unbridled industrialisation which is likely to have global repercussions; the consequences of a centrally planned economy of the past with its emphasis on heavy industries; the overheating of the economy causing inflation which threatens social peace and stability.
3. The emergence of China as a major political, strategic and economic power on the world scene confers on it particular responsibilities, even more pronounced in the wake of the demise of the Soviet Union. China has been liberated from decades of preoccupation and conflicts with its Northern neighbor and is reaping a dividend in foreign political manoeuvrability. It is now poised to play a major role in the Pacific area and the world at large. Inspired by self-interest, Chinese policies should seek to bolster peace and stability and to curb the proliferation of nuclear and missile capabilities. On the other hand, the world community must enable China to participate fully in the international financial, commercial and economic system.

II. MEETING THE CONSEQUENCES OF THE DEMISE OF THE SOVIET UNION

4. The breakup of the Soviet Union is arguably the most defining event of the post-war period. It brought more freedom and a realistic chance for democracy. A stable international system based on deterrence has been superseded by a highly volatile and unstable constellation, aggravated by the systemic breakdown in the territories of the former Soviet Union, making room for other kinds of acute or latent conflicts. Stability in the post-cold war world will be tenuous unless stability can be restored in this area.
5. The end of the Cold War is a propitious moment to push for initiatives particularly by the major powers to speed up the process of disarmament, to curb the trade in weapons systems and thereby to lower the present levels of defense spending.
6. Industrialised countries must define a framework for long-term cooperation expressed in a formal agreement to underpin economic development and implement a lasting programme of technical assistance and training, rather than pursuing a succession of showy, but ineffective schemes tied to referenda or elections. The international financial institutions must refocus their attention on their specific mandates. What is called for is a well-managed but selective assistance programme over the next five years to foster trade and access to markets, to impart the rules of international trade, to dismantle nuclear warheads, to upgrade safety standards for nuclear reactors, to tackle severe environmental problems and to reinforce social welfare

schemes. For their part, the new states must establish their credentials as predictable players on the world scene, doing away with isolationism and xenophobia and giving equal rights to minorities within their borders.

7. The exclusive focus by Western powers on Russia, disregarding the other new independent states, produces dangerous distortions. This is exacerbated by the extra concern of the West with the fate of individual leaders rather than the circumstances and requirements of countries. Aid given to the successor states of the former Soviet Union should not deprive other countries of their share.
8. By discriminating excessively between Russia and the other new states, international assistance may fuel simmering conflicts among them and might bring them to the fore. Russia's relationship with the other new states may become one of the major foreign policy problems of our time. The rebuilding of Russia must be complemented by programmes for the other states, namely emerging powers like the Ukraine, countries with nuclear weapons on their soil, countries with disaster-prone nuclear power stations or countries confronted by enormous ecological challenges (such as the dying Lake Aral). All the new states must be accorded dignity and allowed to participate fully in the international arena. The forging of new links and cooperative economic mechanisms among them - such as the emerging economic community - which might facilitate this process, should be encouraged.
9. The InterAction Council deplors the international community's inability to prevent the spiral of deadly violence, cruelty and human misery in some parts of the former Yugoslavia, following the demise of the Soviet Union. The Council urges the European Community, the Conference on Security and Cooperation in Europe (CSCE) and the United Nations to initiate decisive measures to rid Europe of this conflict. Conventional warfare, accompanied by the utter disregard for human rights and dignity, must be stopped forthwith. Otherwise, the cancer of national conflict may spread and endanger Europe's stability. The InterAction Council supports a political solution to the crisis on the basis of the different proposals presently on the table. The Council calls on the European Community, Russia and the United States to convene a conference of all states in the region to conclude a binding treaty on security, the guarantee of borders, the protection of national minorities and economic cooperation, backed up by effective enforcement provisions.
10. The Korean peninsula is also feeling the repercussions of the Soviet Union's disintegration. The fact that North Korea did not accept the inspection under the safeguards regime of the Non-Proliferation Treaty (NPT), carried out by the International Atomic Energy Agency (IAEA), and its subsequent notification of withdrawal from the NPT makes it run the risk of further international isolation. The InterAction Council urges North Korea to reconsider its position and to rejoin the NPT. At the same time North Korea is sliding into ever deeper economic difficulties. The possibility of Korean reunification can no longer be excluded. The InterAction Council fully supports the report submitted by Mr. Helmut Schmidt on the results of a High-level Group¹ he chaired on "The Lessons of the German Unification Process for Korea" and commends it to the attention of the two Korean states, China, Japan, Russia, the United States, the Association of South East Asian Nations (ASEAN) and the expatriate Korean community.

¹ In addition to Mr. Schmidt, the following members of the InterAction Council participated in the meeting: Maria de Lourdes Pintasilgo (Portugal) and Shin Hyon-Hwak (Republic of Korea) as well as the following high-level personalities: Kyong-Shik Kang (Republic of Korea), Hans-Joachim Langmann (Germany), Emile van Lennep (Netherlands), Hans Matthoef (Germany), Meinhard Miegel (Germany), Wilhelm Noelling (Germany), Seung-Keun Rhee (Republic of Korea), Sang-Woo Rhee (Republic of Korea), Susanne M. Schmidt (Germany), Richard Schroeder (Germany), Peter Schulz (Germany), Horst Siebert (Germany), Ha-Cheon Yeon (Republic of Korea) and Vadim Zagladin (Russia).

11. The demise of the Soviet Union has given a new impetus to the welcome spread of democracy and human rights throughout the world and this progress must continue. At the same time, the notion of national identity - mediated by culture and in many places formed over centuries - has resurfaced and proves to be the dominant binding force. We see multi-ethnic states breaking apart under the pressure of national movements, economic decay and social disintegration. Aspirations for national identity are unquestionably legitimate and can prove a positive element of political and social stabilization. However, these aspirations threaten to turn into a destructive and retrograde nationalism if they cannot coexist with the equally legitimate identities of national minorities and if they are elevated into a right to claim ethnically clean nation states. National identity in its proper sense calls for political pluralism and national, social and religious tolerance, not for political fragmentation and ethnic enmity. Furthermore, the surge of fundamentalisms of different types endangers peace and encourages intolerance, violence and hatred.

12. The end of the Cold War and the break-up of the Soviet Union has freed many parts of the world from the effects of the ideological confrontation between the superpowers which took the form of violence, guerilla warfare and support for authoritarian regimes, such as in Central and South America, the Caribbean, Africa, the Middle East and parts of Asia. The InterAction Council welcomes the evolution towards democracy, the settlement of some internal conflicts and the opportunity for countries to concentrate their energies on economic growth and the eradication of poverty. In addition, a more equitable involvement of the developing countries in the international system should be facilitated to overcome their present marginalisation.

13. The InterAction Council calls on the international community to begin the process of rehabilitating those nations most severely affected by the former East-West confrontation, such as Lebanon, Central America and Angola. Angola should be accorded diplomatic recognition by all countries. The Council also calls on the United States Administration and, in particular, the United States Congress to adopt a more flexible attitude by engaging in dialogue with Cuba.

14. Developing countries suffer from the burden of debt servicing and lack favorable conditions for trade, resource flows and the transfer of appropriate technologies. In 1992, the InterAction Council had specifically focused on the situation in Latin America and this year the Council chose to concentrate on Africa.

III. BRINGING AFRICA BACK TO THE MAINSTREAM OF THE INTERNATIONAL SYSTEM

15. The end of the Cold War also affords an opportunity to focus on Africa. Africa's present marginalisation is morally unacceptable, politically short-sighted and economically unrewarding. In this regard the InterAction Council unequivocally endorses the report submitted by Lord Callaghan of Cardiff on the results of a High-level Group² on "Bringing

² In addition to Lord Callaghan the following members of the InterAction Council participated in the meeting: Maria de Lourdes Pintasilgo (Portugal), Kenneth Kaunda (Zambia), Lopo Fortunato do Nascimento (Angola), Olusegun Obasanjo (Nigeria); as well as the following high-level personalities Alex Boraine (South Africa), Karen Brutenz (Russia), Pierre-Claver Damiba (Burkina Faso), Francis Deng (Sudan), Marion Graefin Doenhoff (Germany), Barend du Plessis (South Africa), Louis Emmerij (Netherlands), Adrian Hewitt (United Kingdom), Mostafa Khalil (Egypt), Colin Legum (United Kingdom), Daniel M. Lisulo (Zambia), Graca Machel (Mozambique), Robert McNamara (United States of America), Nthatho Motlana (South Africa), Olara Otunnu (Uganda), Ahmedou Ould Abdallah (Mauritania), Roy A.

Africa Back to the Mainstream of the International System" and urges its widespread dissemination.

16. Africa is not a lost cause. While there have been success stories during the 1960s and 1970s, recent success stories can be found in Benin, Botswana and Mauritius. Africans themselves stress the linkages between democracy and sustained economic development. Yet, democracy is fragile and must be bolstered. Within Africa this requires the strengthening of governmental structures and the rule of law, the creation of a favourable fiscal and taxation climate, and high levels of education, training and private savings, which will in turn attract higher levels of private investment. Africans recognize that their commitment to self-help is essential for success. In particular, an internal market for energy supplies, water and transportation should be developed and military expenditures substantially reduced. The international community must live up to its declarations on debt relief. The World Bank and IMF must adopt special measures to reduce debt owed to them. Even more important will be the opening of markets in the North, the ratification of GATT and the creation of a fair trading regime.
17. The education and empowerment of women will, among other benefits, assist in the necessary reduction of Africa's high fertility rate. Family planning must be given priority in development assistance by promoting contraceptive methods and mechanisms, including medical research.
18. Today Africa, with 10 percent of the world's population has 60 to 70 percent of global AIDS cases, a figure estimated to double this decade. If we are to avoid widespread social distress by the year 2000, there must be a massive programme of condom subsidisation.
19. To avoid a slide into more Somalias, conflict resolution and prevention must engage the prompt and joint attention of the United Nations and regional organisations. It is desirable that for the future the international community develops principles governing intervention for humanitarian relief. In Angola, democracy to which the United Nations and its agencies have contributed substantial resources, must be made to take root and grow.
20. The North cannot isolate itself from the problems of Africa. There is a clear rationale for the industrialised countries to extend their discussions to cover African issues. To this end, the amount, direction and specific conditionality of African development assistance and resource flows should be placed on the agenda of the forthcoming G-7 summit in Tokyo.
21. South Africa stands on the threshold of historic change. Multiparty negotiations should be completed and elections held at the earliest possible date to form a Government of national unity. The hitherto deprived black majority will expect immediate benefits in schooling, housing, jobs and wages. Without a substantial increase in growth, these cannot be delivered. External finance both from private and concessional sources will be indispensable.

IV. WORLD TRADE

22. The world economy is improving modestly at best. A bright spot has been the dynamic economic performance in East Asia, due to continued high savings rates and China's

Pitchford (Zimbabwe), Ronald W. Roskens (United States of America), Fred Sai (Ghana), Tim Thahane (Lesotho), Makoto Watanabe (Japan) and as invited journalist Richard Steyn (South Africa),

emerging role as an engine of growth. The industrialised countries are increasingly resorting to various forms of protectionist measures. The trend towards tri-polar economic regionalism - European Community, North American Free Trade Agreement (NAFTA) and the emerging East Asian economic area - must not endanger the already fragile basis for free and open trade, further marginalizing the countries outside these three regions. The principles of international cooperation and multilateral mechanisms must be defended. They remain the best means of securing economic growth and global prosperity.

23. A last ditch effort must be made to rescue the multilateral trading system by concluding the Uruguay Round of the General Agreement on Tariffs and Trade (GATT). But even if GATT succeeds, regional trading blocs will remain. The global regime and the regional structures must be harmonised.

V. POPULATION AND ENVIRONMENT

24. The problems of population growth, global environment, resources, poverty and mass migration are interlinked. Particularly important and most difficult to cope with is the problem of population growth. Governments must recognize that curbing population growth is the most crucial task facing world politics in the new age and must expedite measures to deal with it. Governments must therefore demonstrate their willingness and determination to take national and international steps to meet this daunting challenge at the 1994 United Nations Conference on Population in Cairo.
25. It was with hope and expectation that the world community welcomed last year's Earth Summit in Rio de Janeiro. In fact, this first global summit meeting on environment and development helped to create a global constituency for environmental action and reinforced action by non-governmental organisations (NGO) and the private sector. One year later, however, governments remain reluctant to take action despite their commitments. Such inertia further erodes the public's belief in their governments' willingness to lead and their capacity to act. The InterAction Council urges all signatories of the Rio agreements to honor their commitments concerning environmental protection and the provision of financial resources and to take immediate action.

The following participated in the session:

I. Members of the InterAction Council

1. Helmut Schmidt (Germany) - Chairman
2. Takeo Fukuda (Japan) - Honorary Chairman
3. Maria de Lourdes Pintasilgo (Portugal) - Deputy Chairperson
4. Raul Alfonsin (Argentina)
5. Kirti Nidhi Bista (Nepal)
6. Lord Callaghan of Cardiff (United Kingdom)
7. Miguel de la Madrid Hurtado (Mexico)
8. Lopo Fortunato do Nascimento (Angola)
9. Jenoe Fock (Hungary)
10. Malcolm Fraser (Australia)
11. Valery Giscard d'Estaing (France)

12. Salim El Hoss (Lebanon)
13. Kenneth Kaunda (Zambia)
14. Lee Kuan Yew (Singapore)
15. Olusegun Obasanjo (Nigeria)
16. Misael Pastrana Borrero (Colombia)
17. Mitja Ribicic (Slovenia)
18. Jose Sarney (Brazil)
19. Pierre Elliott Trudeau (Canada)
20. Ola Ullsten (Sweden)

II. Special Guests

1. Karen N. Brutens (Russia)
2. He Guanghui (China)
3. Huang Hua (China)
4. Huang Ju (China)
5. Henry A. Kissinger (United States of America)
6. William P. Laughlin (United States of America)
7. Emile van Lennep (Netherlands)
8. Robert S. McNamara (United States of America)
9. Isamu Miyazaki (Japan)
10. Taro Nakayama (Japan)
11. Kazimiera Prunskiene (Lithuania)
12. Ronald W. Roskens (United States of America)
13. Shin Hyon-Hwak (Republic of Korea)
14. Seiken Sugiura (Japan)
15. Hans-Jochen Vogel (Germany)

III. Invited Journalists

1. Nagaharu Hayabusa (Japan) - Asahi
2. Flora Lewis (United States) - The New York Times
3. Laurent Mossu (France) - Le Figaro
4. Qian Wenrong (China) - Xinhua News Agency
5. Martin Woollacott (United Kingdom) - The Guardian

IV. Guest Observers

1. Henry O. Dormann (United States of America)
2. Susanne Schmidt (Germany)
3. John Whitehead (United States of America)

V. Senior Staff

1. Hans d'Orville
2. Dragoljub Najman
3. Jens Fischer
4. Keiko Atsumi
5. Caroline Anstey



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