



Resolution 981 (1992)¹

New North-South relationship

Parliamentary Assembly

1. The relationship between industrialised countries in the North and developing countries in the South is taking on a new character now that the East-West confrontation has come to an end. Major power rivalries and ideological conflict can no longer be used either by the North or by the South as pretexts to avoid addressing the real issues affecting development and global survival.

2. Furthermore, the very term South no longer denotes a homogenous group of countries as some, such as the so-called Newly Industrialised Countries (NICs), show impressive economic progress while others, in particular the Least Developed Countries (LDCs), face stagnation or even a fall in per capita income. At the same time some parts of the so-called "Second World" (the former Soviet Union and Central and Eastern Europe) encounter problems similar to those of developing countries.

3. The vicious circle of underdevelopment, linking high population growth with poverty and environmental degradation, must be overcome by integrating the objectives and requirements of economic growth, and by ensuring broader democratic participation of all people, a more equitable sharing of the benefits of the economic system, and environmental sustainability.

4. Development cannot be measured only in terms of economic growth, but must also be judged by progress in satisfying basic human needs, building democracy, respecting human rights, establishing social justice and the rule of law, and protecting natural resources.

5. Development co-operation must become a more central political concern in the 1990s. Its goal should be to contribute to a development which ensures human dignity and an existence which is economically productive, socially just and environmentally sound. Generally speaking, the aim of development co-operation should be to improve living conditions of the broad masses of the population, and to contribute to human, sustainable development.

6. Council of Europe member states in particular should commit themselves to reaching, as soon as possible, the goal of official development assistance amounting to 0,7% of GNP, and should use for this purpose the resources freed as a result of reduced East-West tension and diminished military outlays.

7. The efforts of the Council of Europe member states should be concentrated on the following priority areas in North-South co-operation :

7.1. investing in the human being in order to stimulate the productive energies of the people, paying special attention to the need to improve the situation of women and laying the greatest possible emphasis on education and training, as well as basic health care (notably the fight against Aids) ;

7.2. promoting the giving of credit and advice to small farmers and entrepreneurs, including women, thereby assisting the development of the private sector of the economy ;

7.3. fighting against poverty through "help to self-help" and enhancing productivity, including in the food sector ;

7.4. reducing population pressure ;

1. Assembly debate on 5 May 1992 (3rd Sitting) (see [Doc. 6594](#), report of the Committee on Economic Affairs and Development, Rapporteurs : Mr Aarts and Mr Holtz). Text adopted by the Assembly on 5 May 1992 (3rd Sitting).



- 7.5. contributing to an environmentally sustainable development ;
 - 7.6. improving the economic conditions of developing countries by combating protectionism in the North (trade barriers of all kinds, including those of a non-tariff nature), enhancing South-South co-operation, developing regional markets, ameliorating the commodity price situation of developing countries, and promoting a diversification of economies ;
 - 7.7. realising substantial debt reductions ;
 - 7.8. ensuring a greater say on the part of developing countries in international institutions and in the construction of a new world order ;
 - 7.9. helping to eliminate the causes behind the world refugee and migration problem, such as ethnic conflicts, wars, dictatorships and destitution.
8. "Conditionality" in development co-operation should not be restricted to purely economic considerations, but should be supplemented by the concept of "additionality", which takes into account the readiness to realise human rights and social justice, protect the environment and cut defence spending.
9. More specifically, future development co-operation of Council of Europe member states, whether bilateral or multilateral, should be based primarily on the poverty criterion, but should furthermore take into account the four additional criteria set out below. Together these criteria form a flexible "yardstick", influencing the volume, channels and forms of official development assistance :
- 9.1. The human rights criterion Official aid should in principle be reserved for countries which orient themselves towards democracy, the respect for human rights and the establishment of an efficient and accountable administration ("good governance"). Dictatorships should no longer be supported. Official aid to countries where the democratic process has been halted should in principle be interrupted, save for humanitarian purposes in emergency situations.
 - 9.2. The economic and social reforms criterion Assistance should promote the building of an efficient, environmentally sound and socially just market-oriented economy. It should be made conditional on such measures as : social reform, including land reform ; a fair distribution of income ; an improvement in the lot of women ; health care and education ; protection of the environment ; and family planning.
 - 9.3. The military expenditure criterion Development assistance should be reserved for countries whose military expenditure appears reasonable against the background of their security situation, or in relation to their gross national product, expenditure for social, educational and public health purposes, etc. Consideration should also be given to whether the country's foreign policy is oriented towards peace, for instance through participation in regional security arrangements, international disarmament initiatives or the renunciation of weapons of mass destruction.
 - 9.4. The environmental criterion Development projects which directly protect the environment should be supported, whereas those which cause environmental destruction or the loss of scarce and irreplaceable natural resources, such as tropical forests, should not. Countries willing to engage in active protection of their environment should be given added support.
10. The above criteria should also be considered in the shaping of foreign policy and trade policies. It is particularly important that the latter be open and fair to developing countries, permitting them to build up their economies and become full partners in the world economy.
11. The Parliamentary Assembly of the Council of Europe recognises the need for closer parliamentary scrutiny over the activities of international financial and development institutions, so that the latter may focus more on a newly defined development concept, one more likely to lead to world-wide human, sustainable development.
12. Developing countries for their part must undertake determined reform to render their economies more efficient and market-oriented, combat corruption and ensure that the broad masses of the populations can share in the fruits of economic development and live in dignity and freedom. Democracy will only have a future if it is accompanied by economic development. Similarly, the latter can only be realised in an equitable world economy, in which the industrialised countries do their utmost to abolish existing trade obstacles.