



Resolution 1174 (1998)¹

Economic development in the Middle East and North Africa

Parliamentary Assembly

1. The Assembly sees many of the countries of the Middle East and North Africa as facing an urgent choice: either they pursue and intensify economic and political reform in the direction of greater freedom and openness or they risk falling irremediably behind more successful neighbours and many other parts of the world, with a resulting loss in prosperity for their peoples. Globalisation in itself will not solve problems as regards income distribution, social protection, education, public health and the preservation of the environment; yet it constitutes a powerful engine for economic growth, essential for balanced and sustainable economic and social development, although population growth may have a detrimental effect.
2. The Assembly, recalling its past recommendations and resolutions on this subject, and in particular [Resolution 1103 \(1996\)](#) on the situation in the Middle East: the Israeli-Palestinian peace process, commends several of the countries in the region on remarkable economic achievements in terms of high growth, reduced debt and low inflation. It recognises that while successful economic and social reform must be adapted to the unique situation of each country, with its own cultural and historical background, its fruits in the form of increased wealth must be equitably shared among the people. The region also faces the challenge of creating new employment due to a growing population.
3. The Assembly notes in this context, however, that the recent setbacks to the Middle East peace process, as well as the rise of forms of religious fundamentalism, may hurt positive, region-wide economic developments whether planned or in progress.
4. The Assembly is convinced that continued privatisation of state-owned enterprises, increased co-operation among neighbouring countries and further liberalisation of protective trade regimes should be stepped up, in order to reduce the economic role of governments and to increase the international competitiveness of the countries concerned, favouring the realisation of their economic potential as well as their integration into the global economy.
5. The Assembly recognises the important role played by international economic institutions such as the World Bank, the International Monetary Fund, the World Trade Organisation as well as the European Union and others in providing the technical and material support needed to deepen social and economic reform. It encourages them to continue these efforts in a region crucial to world peace.
6. The Assembly considers it vital for the region as a whole to enhance co-operation in projects directly affecting its limited natural resources, in particular water and the environment. It calls for greater joint efforts to protect the environment, not least through targeted programmes and the use of "clean" technologies preventing additional environmental damage.
7. The Assembly is of the opinion that continued social and economic reform should include:
 - 7.1. enhanced efficiency and accountability on the part of public administrations, appropriate to the needs of an emerging market economy;
 - 7.2. adequate protection for vulnerable groups, such as the old, the unemployed, the handicapped and disadvantaged families;

1. See [Doc. 8069](#), report of the Committee on Economic Affairs and Development, rapporteur: Mr Blaauw. Text adopted by the Standing Committee, acting on behalf of the Assembly, on 4 November 1998.



- 7.3. promotion of the education, vocational training and retraining of the workforce, male and female, in order to make full use of the region's vast human resources;
 - 7.4. a particular effort in favour of the education of women and girls, an aspect too often neglected;
 - 7.5. a comprehensive regional strategy aimed at avoiding wastage, excessive use and pollution of scarce water reserves;
 - 7.6. a positive policy to limit the growth in population.
8. The Assembly encourages the governments of all Council of Europe member states to enhance access to their markets for the region's exports, including agricultural commodities, and to resist any protectionist measures that could jeopardise economic growth in the area.
9. Finally, the Assembly calls on the countries of the Middle East and North Africa to muster, in a spirit of mutual concession, the will and the determination necessary to overcome the last obstacles to successful regional economic co-operation, capable of strengthening overall peace and promoting a stronger and more balanced economic and social development of the region.