

### IV. North and South: Globalisation

38. Recent decades have been characterised by an accelerating internationalisation of world affairs, or globalisation. Oil shocks, exchange rate fluctuations and stock market crashes are directly transmitted between the world's economies, North and South. New information technologies disseminate a mass culture to every corner of the world. Financial decisions by multinational corporations can have far-reaching effects overnight. National and international conflicts are generating huge and growing refugee movements of continental and intercontinental dimensions.. 39. Further, globalisation of the international economy has shattered the bipolar division of the world which dominated the era of the Cold War. New industrial powers have emerged in the Pacific rim and, until recent setbacks, the rapidly developing Latin American nations. There are also new international forces such as China and the Non-Aligned Movement. Interdependence is a reality. It is more important than ever to establish multilateral institutions with a more equal role for the South under the aegis of the UN.. 40. At a global level, economic crisis and conservative deflationary policies have brought the return of mass unemployment to many of the advanced economies. They have also had a destructive effect on poor countries. They have wiped out export markets, sharpened the debt crisis and undone progress already made. At the same time, such regress in the South, combined with the necessity to service enormous debts, closed huge potential markets to the North. Thus the declining living standards of the debtor nations became a factor promoting unemployment in the creditor nations.. 41. A transformed global economy must involve the growth centres of the South in a radically new way if it is to advance the development of either South or North. Programmes to stimulate economic and social development in the South can and must become a vehicle for stimulating the world economy as a whole. Such issues must feature as integral parts of global macro-economic strategies.

42. In Africa, the continuation of the apartheid regime in South Africa is not only a crime against the majority of the people of that nation but has subverted the economic efforts of the Front Line States and had a negative impact throughout the entire continent. There, as elsewhere, the fight for human rights and democracy goes hand in hand with the battle for economic and social justice.

43. Africa and Latin America are in particular faced with an intolerable debt problem which precludes the investments and imports which are needed to ensure development and provide jobs for rapidly growing populations. Global action to alleviate the debt burden is a precondition for progress. It must be a central goal of East-West cooperation in the common search for North-South justice.

### The Environmental Challenge

44. A critical and fundamental challenge of worldwide dimensions is the crisis of the environment. In both the North and the South, the ecological balance is jeopardised. Every year, animal and plant species are being exterminated while there is increasing evidence of a depletion of the ozone layer. In the North, irresponsible industrialism destroys forest areas; in the South, the rain forests which are vital to the survival of the whole world are shrinking with alarming speed. In the rich countries, soil pollution is increasing. In the poor countries, deserts are encroaching upon civilisation. Everywhere clean water is in short supply.. 45. Since environmental destruction extends across national frontiers, environmental protection must be international. It is, above all, a question of maintaining the relations between natural cycles, since ecological protection is always more economical and more responsible than environmental renovation. The best and cheapest solutions to the crisis are those that change the basic framework of production and consumption so that environmental damage does not occur in the first place.

46. We advocate joint international efforts to replace all environmentally damaging products and processes by alternatives which enhance nature. The transfer of technology from North to South must not be allowed to become a matter of exporting ecologically unacceptable systems, or the toxic wastes of rich economies. Renewable energy sources and decentralised supply structures should be encouraged in both North and South. Moreover, there must be an international early warning system to identify environmental threats and catastrophes which cross national frontiers.. 47. These environmental problems affect the whole world community as well as doing harm to the developing countries. Without multilateral assistance and cooperation, poor nations cannot solve them. For these reasons it is crucial to achieve a substantial transfer of resources through development aid.

48. Such policies are compatible with qualitative economic growth, in the North and South, in order to meet the social and economic responsibilities of the future. Social investment in ecological reconstruction - which many experts count as an expenditure without benefits and which is not computed as part of the Gross National Product - is one of the most positive investments a society can possibly make.

