



GROUP OF FIFTEEN
The Summit Level of Developing Countries

NINTH MEETING OF THE
MINISTERS OF FOREIGN AFFAIRS OF THE GROUP OF FIFTEEN
New York, 28 September 1994

SUMMARY RECORDS BY THE CHAIRMAN

The meeting was chaired by H.E. Mr Guido di Tella, Minister of Foreign Affairs of Argentina.

The Chairman, in his opening Statement, welcomed the delegates to the meeting which he said was part of a process which would culminate in the Fifth Summit Meeting of the G-15 to be held in Buenos Aires in November 1995. Argentina's chairmanship of the Group was an indication of its commitment and responsibility to the G-15. Recognition was given to the productive work carried out by senior officials in the preceding months.

Referring to the Agenda of the meeting the Chairman described it as a broad-ranging one aimed at stimulating a free exchange of views on a number of issues. An exercise of this nature was in keeping with the real purpose of the G-15 which should put emphasis on greater consultation and coordination.

The Chairman said that, in reviewing the past four years of the Group's existence, we had to recognise that there have been problems, a major one being the levels of attendance at past Summits. While getting fifteen Heads of State/Government (HOS/G) together was not an easy task, poor attendance at Summit Meetings undermines the credibility of the Group. As such participation by thirteen or fourteen HOS/G would send an important message to the international community.

We must accept and acknowledge that member countries hold different views on a number of issues. However, these differences are premised on diverse circumstances and historical experiences of individual countries and therefore there can be no one doctrine for the G-15. However, it was necessary to attempt to reconcile these differences by identifying common concerns and interests. Such efforts would be relevant at both the economic and political levels.

Highlighting the fact that the issue of Human Rights and Democracy has now become an imperative upheld in an international fora, the Chairman stated that such a development would have been unheard of fifteen years ago. In the economic sphere we are witnessing substantial revisions of earlier positions as many countries undertake economic reforms which give priority to market-based economies. Such changes have been advantageous in terms of income and growth although rising unemployment which is also a problem typical of advanced economies is a matter of grave concern. With regard to International Trade, the Chairman pointed out that further clarification and negotiation was necessary in order to establish the principles and operations of free trade. Restrictive practices were still prevalent

and subsidies were an evil that affected all G-15 member countries. It was necessary, therefore, for the G-15 to focus on what we as a Group could actually achieve in this area and avoid repeating the mistakes made by the advanced countries.

Referring to the North-South dialogue, the Chairman pointed out that it was evolving in an inequitable manner. Although areas of conflict existed, such as the issue of patents, an attempt must be made to develop this dialogue on the basis of a non-conflictual approach taking into consideration the fact that the different geographical locations of member countries would guide priorities and negotiations.

On the subject of institutional reform, the Chairman highlighted the establishment of the World Trade Organisation (WTO) as a tremendous innovation. However, while most Parliaments are in the process of ratifying this agreement, the institutional aspects of the WTO and its relationship with the UN required further clarification and negotiation.

At the request of the Chairman, individual delegations made presentations, the summaries of which are as follows;

Great importance is attached to the G-15 as a consultative and coordination mechanism for the South. The Latin American region should accept a degree of responsibility for the poor attendance at previous Summits. However, all member countries were urged to make every attempt to attend the Buenos Aires Summit.

All Developing Countries shared many commonalities and similarities. They were all attempting to establish and develop mature economic and political systems, albeit with different degrees of success to date. Mutual understanding and a commitment to solidarity had to be maintained.

In the past all countries in Latin America did not have very democratically oriented systems. Today, however, Human Rights, Democracy and Participation are stressed. The Right to Development must be recognised as one of the most important Human Rights and should provide a unifying principle for developing countries.

The latter are involved in the common pursuit of development and have taken important and militant although non-confrontational positions on future development processes which have been linked to Environment, Human Rights, Social Development and Population. As a culmination of all these processes it is now necessary for the UN to convene a Conference on Development per se without linking it to other conditions or restrictions. Brazil has made a proposal to this effect in the Plenary of the present UNGA and to the UN Secretary-General. The intention of convening such a conference, perhaps in 1996, should be to consider, in a non-confrontational manner, all aspects of sectoral priorities, including the crucial issue of financial and technology flows. Brazil offered to circulate among the G-15 and other countries, a paper containing some ideas on this suggested initiative.

While there existed different views on the subject of UN reform, special note should be taken of the conclusions reached by a working group on the issue of reform of the Security Council. The timing of the process of Security Council reform is not entirely within our control. We must emphasize that in any form of expansion the developing world must be represented and

its perceptions given equal importance. Brazil offered to circulate a paragraph on the Reform and Enlargement of the Security Council which was approved by the last meeting of the Rio Group held in Rio de Janeiro, September 1994. Recognition must also be given to increasing the role of the General Assembly where all countries are represented. Transparency and regular consultation should underpin relations between the Security Council and the UNGA.

This present meeting of Foreign Ministers, as indicated in the communication sent out by Argentina, was meant to facilitate a review of the international situation with a view to developing common positions and strategies. Moreover, keeping in mind the next G-7 Summit to be held in Halifax next year, there was a need for a brainstorming in search of consensus on a number of issues.

We are at a critical crossroads. Policy and development choices have been made, and we have to decide how best this could be achieved in a joint manner. These choices are crucially linked to human survival in the 21st century and these together with the issues of institutional reform are the focus of world-wide attention. The Agenda for Development and the role of the Bretton Woods institutions are being discussed in international for a and the G-15 should provide constructive inputs.

India has prepared two papers on these subjects, not with the intention of foreclosing but opening areas and issues for discussion. The first paper which deals with development issues, looks at competitiveness in the context of development cooperation and highlights the need for international cooperation for development and for the establishment of equitable rules of the game and their observance. It emphasises the requirement for better coordination and establishment of clear macro-economic policy priorities and demand creation as called for by UNCTAD. Accelerated economic growth was central to all efforts at attaining people-centred sustainable development. Emphasising the continued relevance of the Bretton Woods Institutions and the UN, there was need to strengthen aspects of their function and interaction. We must focus our attention and energy on the unfinished Agenda for Development, particularly with regard to issues of trade, money, finance and transfer of technology. With regard to South-South cooperation, the G-15 must attempt to see how best it could play a catalytic role.

With regard to institutions, it is now recognized that as the relevance of multilateralism has become greater, both institutions and their reform have increased in importance. The second Indian paper reflects suggestions on institutional reform while emphasizing that the positive aspects of existing institutions should be preserved. Both existing and new institutions should be provided with clear policy guide-lines and the need for transparency and consultations should be underlined.

The proposal for the convening of a UN Conference on Development was supported.

The Group of Fifteen still remained on the side-lines of international relations and was not given serious recognition by the G-7 and others. This recognition had to be earned. Referring to the annual IMF/World Bank meetings being held in Madrid, the question was asked as to

whether a short paper could be prepared by experts for ministers attending this meeting with a view to coordinating positions or providing general guide-lines for negotiations. A question was raised as to whether the G-15 had done anything to influence the evolution of the WTO which is to be finalized shortly.

The need for coordination amongst G-15 member countries on certain crucial issues was emphasized. In the context of political issues, emphasis was placed on the expansion of the UN Security Council which may not be carried out as desired by us. A global approach is required if we are to prevent a new Security Council being imposed on us. G-15 consultations in the UNGA and other for a should be enhanced and concrete steps should be taken for closer consultation and coordination particularly with regard to the forthcoming Social Summit. Other Ministers should also be persuaded to meet, consult and coordinate on relevant issues. Social Development, which went beyond pure Economic Development is recognized as the priority issue for the future and it should constitute a major focus of work for the G-15.

The proposed convening of a UN Conference on Development was supported.

A special request was made for Argentina to convene the next G-15 Summit so that it would be conveniently timed with the presence of HOSS/G in New York for the 50th anniversary celebrations of the UNGA and the NAM conference in Colombia to be held around the same time.

The analysis of the world situation remains unchanged from the past. Following the euphoria at the end of the cold war, developing countries find themselves still facing the risk of being marginalized or being put into a position where they could be losing economic and political importance and influence. We must focus on and develop together a new kind of global governance which would include issues, institutions, modalities and procedures for better governance as we move towards the 21st century.

While the agendas for peace and development are important, there were other issues that also required attention. New issues and preoccupations such as Social Clauses, Intellectual Property Rights and the Environment have their place but must not deflect our attention from the critical issues of economic growth, poverty alleviation, external debt and the transfer of technology.

The proposal for a Conference on Development was interesting but we must recognize that two such conferences have been held before, the most recent being the International Conference for Development in 1985. We must approach any new conference on development well prepared and with established common positions, the focus of which should be how best to achieve common prosperity for all.

A dialogue with the North should develop on a non-conflictual basis and in a spirit of equal partnership, common benefit, equitably shared responsibility and genuine interdependence. To this end, we must attempt to identify common interests and benefits with the North.

International institutions continue to be of importance and there will be no new world order unless the UN is recognized as the center piece. While considering how best to strengthen the

UN, we must prevent its weakening under the flag of reform. There are current moves to create a division of labour among international organizations as a result of which the UN, the only universal body existing today, will be sectorized and reduced to only dealing with concern of peace and some social issues. We must be wary of moves to replace ECOSOC with an Economic Security Council. The Security Council itself must address security in the wide sense of the word and it must be reformed in a comprehensive manner including its agenda, scope and relationship with the GA which should be open and transparent. While recognizing that the use of veto power cannot be abolished, we can ensure that it is used in a more equitable manner.

The role of the G-15 has sometimes been misunderstood by other developing countries. It must be emphasized that the objective of the G-15 was to be a pioneering group for the rest of the developing world and not an exclusive club. We must avoid positioning ourselves as representatives of all developing countries and pursuing a dialogue with the G-7 on this basis.

The G-15 must prepare itself well to meet the objectives of coordination, particularly, with regard to the suggested UN Conference on Development.

At the risk of appearing cynical and pessimistic it must be stated that the G-15 does not have the institutional capacity to match its aspirations and visions for the future. The catalytic role it set itself has not been very successful. While South-South cooperation is recognized as a good ideal, its success rate has been disappointing. The Group has always exchanged views on a number of these issues but action has not been forthcoming.

The UN will remain of great importance but we are now experiencing what could be referred to as an "agenda syndrome". Agenda 21 was agreed on but was not supported in its implementation. This has now been replaced by an Agenda for Development which appears to remain a mere aspiration. A question needs to be asked as to how committed we are to safeguarding our interests vis-à-vis those who wish to maintain their dominance on the global stage. A related question is to what degree are we united in comparison with the North which tends to speak with one voice.

We look ahead, however, with a positive perspective and the hope that there will be a stronger commitment displayed at the forthcoming Buenos Aires Summit. The G-15 must decide on its course of action following the next Summit and prove that in spite of past difficulties it can succeed on the basis of joint action and cooperation.

We should prepare adequately for the next ministerial meeting and the Summit which should provide a reference point for the future role of the G-15.

The G-15 is still seeking to define its role and place. It must build a coherent organization on the basis of solidarity. The members of the G-15 have displayed good-will and we must prepare ourselves for a coherent and coordinated view point on the WTO. In this context, the G-15 meeting in Marrakesh in April this year indicated that agreement could be reached among G-15 members on an issue of common interest. This, however, should be regarded as only a beginning.

Today we are faced with issues such as those concerning the environment, new forms of employment and UN reform. The position of the South will be weakened if policies and actions on such issues were imposed from outside.

The G-15 should strive to have its voice heard and to be accepted and identified as a Group on an equal footing with other similar groups such as the G-7. For this purpose, it should define its methodology, something it has been trying to do since the Second Summit in Caracas, in 1991. While the New Delhi Summit was excellently prepared for, its success was compromised by the relatively few HOS/G present. The participation of Special Envoys must be enhanced in order to deal with such a problem in the future.

Furthermore, the structure of the Group must be clearly established. The existing triangular structure (HOS/G, FMs and PRs) is functional but PRs cannot take decisions on behalf of FMs, while FMs cannot do the same on behalf of their HOS/G. The PRs should prepare a document setting out the position of the Group on major issues. A ministerial meeting should be convened in the first quarter of 1995 to consider this document.

The proposal on the convening of a Conference on Development will be given consideration.

The achievements of the Group are significant. However, even though the Group has considered wide ranging agendas, it has been hard to define a theme of course of action for the Group to pursue. The G-15 countries have many commonalities but all cannot be pursued together. The Rio Group achieved success in its prime purpose of establishing peace and security in Latin America and has now expanded its focus to take in other areas. The G-15 should follow a similar course of action.

Some issues on which the G-15 can work together are those concerning:

- the establishment of coordinated positions which will reflect agreed regional priorities on the subject of UN reform;
- the development of common positions on the role and functions of the Bretton Woods institutions;
- matters of trade and the establishment of the WTO, particularly with regard to outstanding issues of the Uruguay Round.

The G-15 can pursue more extensive cooperation in the economic sphere such as in trade and finance. We must also make our procedures and structures more functional and active with a view to enhancing coordination and the day-to-day work of the Group.

The UN remains a system for ideas, while implementation is being carried out elsewhere such as by the World Bank. The legitimacy of the UN is therefore of crucial importance and the G-15 could play a significant role in the formulation of positions on global issues. Being a flexible Group we could attempt to represent the views of other groups especially in pursuit

of a non-confrontational dialogue with the North. In this regard, social issues continue to be of priority concern for both the North and South and the virtue of the G-15 is that it can articulate views that the G-7 has not been able to do. Such an approach would establish a degree of complementarity with the North and the Bretton Woods institutions.

The G-15 must reflect upon the outcome of the recent world conferences and support should be given to the proposal for the convening a conference on development.

The Group must attempt to establish a think-tank structures. Adequate and relevant information and background papers should be made available prior to the Summit in order to facilitate early and comprehensive preparation.

This meeting provides the opportunity to have a thorough discussion on a number of issues including the future of the G-15, its role and place in international relations today, as well as risks and challenges to be faced in the coming decade. With regard to the more specific issue of UN reform, it must be perceived as an attempt to adapt the system in keeping with changes that have taken place in recent years which will lead to new relations of power and give a new shape to the international system. There is a need, emphasized at the last Summit, for an evaluation of the status and role of countries and groups in the overall framework that is evolving.

While questions regarding the credibility of the G-15 do exist, they need to be placed in the context of the evolving international system and relations and our own vision of the future. The G-15 should evaluate its present and future role not only focussing on developmental problems but also on the required parameters and conceptual framework for active and constructive involvement in international relations. We need to urgently address ourselves to this issue with a view to identifying some strategic elements, if not a doctrine, and laying the foundations for our work as we move towards the 21st Century. In doing so we cannot be indifferent to the attempts at institutional reform and its implications for social development. There have been neither original ideas nor wide-ranging and creative projects for a number of years. The degree of bureaucracy in the system which serves specific interests should be reduced since it no longer fits with changes that have taken place in the global economy, increasing globalisation and the initiation of a range of new global activities that relate to economic and social development.

From a scientific and political stand point, the dramatic changes that have taken place at the global level are not necessarily constructive. Transnationalisation has increased the vulnerability of States and has limited their capacity to take action and reduce their influence on decision-making. This has resulted in an absence of initiative and action at the global level.

The Buenos Aires Summit would provide the opportunity for the G-15 to re-evaluate its work and role and to decide on a methodology for the future. A Working Group, on instructions from the Chairman, could prepare a document highlighting issues of concern/interest to member countries. It would be necessary to analyse trends in the international economy and the shape of the international system to come. An analysis of international trade would necessarily focus on the establishment of the WTO and the new and complex networks that will influence and determine world trade at the turn of the next century. There is also a need

to evaluate south-south cooperation in the context of the changes taking place, in particular increasing globalisation and regionalization

The proposal for the convening of a UN Conference on Development is endorsed but the need for serious and careful preparation is underlined. Such a Conference should have a political dimension with a view to increasing the awareness of developing countries of the new international dynamic and to launching a new era in international relations. The “Programme of Action” approach, which produces a menu encompassing all problems, should be avoided. Emphasis should be placed on the need for an assessment of the risks and opportunities faced by all countries as a result of the systematic transformation of the international system.

Development is required if global prosperity, peace and security is to be promoted and sustained. The G-15 has a role to play and this was a topic of in-depth discussion at the last Summit in New Delhi. The G-15 was born also out of a desire to promote dialogue between the North and the South and to create an enabling environment for this purpose. The success of the G-15 has been compromised by the problems encountered in the past, particularly with regard to the poor attendance by HOS/G at past Summits. Better levels of participation and regular pronouncements on international issues will contribute to the group being taken more seriously by the international community.

It is proposed that the Foreign Ministers should meet over two or three days prior to the Summit to prepare substantive positions on issues that could also be considered by the Summit.

Thanking the many speakers for the presentations made, H.E. Ambassador Guillermo Gonzalez acting for the Chairman, highlighted two issues that needed attention.

Firstly, referring to the discussion on the most suitable dates for the next Summit, the Chairman stated that although October would be a difficult month in which to host a Summit meeting, Argentina would take into consideration the points of view expressed and will explore the possibility of suggesting dates that would coincide as closely as possible with the other meetings, namely the Fiftieth anniversary of the UN and the NAM Summit. A suggestion was made that the G-15 Summit could perhaps be held on a date closer to that of the G-7 Summit, ie. mid-year. It was felt that this would facilitate a closer dialogue between the two groups.

The meeting agreed to accept the provisional calendar on the understanding that it could be amended later. The Chairman offered to consult with all capitals from Buenos Aires with a view to identifying alternate dates. It was agreed that the meeting of PRs in December could discuss any suggestions regarding alternate dates and that dates for both the Summit and Preparatory Meetings should be finalized, if possible, by January.

Secondly, referring to the future role and work of the G-15, the Chairman stated that a mandate had been given to the Permanent Representatives in Geneva to start work on a

document which capitals will be given adequate time to respond to. While it was recognized that it was an immense challenge to re-think international issues and concerns, it was hoped that a good conceptual framework could be formulated. This draft document could then be considered by the Foreign Ministers when they meet next and it could serve as a basis for the final communiqué of the Buenos Aires Summit. Apart from Brazil and India, who had provided some background documentation, all member countries were requested to send in any available inputs.

Regarding the issue of future Summit quorums the TSF will make available a report detailing the responses and attaching copies of the letters received.
