

D-8 defines new agenda for international relations

by Muriel Mirak Weissbach

Over the June 14-15 weekend, prime ministers, foreign ministers, and heads of state from eight countries joined in Istanbul, Turkey, to officially establish a mechanism for economic cooperation, known as the Developing-8. The event, coming just days prior to the Denver Summit of the Eight (as the Group of Seven plus Russia meeting has been dubbed), constitutes a powerful and intriguing challenge to the economies of the advanced sector, both politically and conceptually. If the governments of the United States, western Europe, and Japan appreciate the significance of the D-8 initiative, it could stimulate them in their process of rethinking their own economic policy outlook, among themselves, and in their relationship to the developing sector.

The first summit of the D-8 countries included the heads of state and/or government from Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan, and host country Turkey. It was Turkish Prime Minister Necmettin Erbakan who launched the initiative last October, and constituted it preliminarily in January, after having consulted with each of the potential member countries. The purpose of the new organization, as spelled out in the summit's draft declaration (see *Documentation*), is "socio-economic development" in accordance with the principles of peace, dialogue, cooperation, justice, equality, and democracy, as opposed to an order which has been characterized by conflict, confrontation, exploitation, double-standards, discrimination, and oppression.

Eradicate poverty through economic growth

The eight nations, from Africa, the Middle East, and Asia, representing 800 million people, have come together to initiate a process of rapid economic growth, through application of advanced technologies, to overcome what is identified as the central problem in today's world: poverty. In his speech to the summit, Erbakan stressed, "The main issue of this era is the eradication of poverty through increased economic

growth and continual social development. The precipitous deterioration of the global environment is caused among other things by the problem of poverty." The Pakistani prime minister, Nawaz Sharif, echoed his views: "The foremost challenge before us is the eradication of poverty. Economic growth leads to political stability and reinforces democracy," which, "in turn, reduce the chances of war. This is true of the affluent West as it is of Asia," he said.

Noting that the developing sector could not rely on the advanced sector for technology transfer, Erbakan stressed the growing technological capabilities in the developing sector. "Among us," he said, "there are already those able to make their own automobiles, locomotives, ships, machine manufacturing plants, factory machinery, up to rocket plants and airplanes, using high technology." The task of the D-8 is to mobilize these resources, and coordinate their deployment, to the maximum advantage of all the member countries, as well as others.

The technical means by which to achieve this coordination are identified in a paper issued at the summit, on the structure and functioning of the D-8. The supreme organ of the new institution is the summit of the heads of state or government, to convene yearly. The political decision-making organ of the D-8 is the Council, composed of the foreign ministers, which considers reports of the Commission, the executive organ, and makes necessary decisions or recommendations to the summit. The Commission itself, composed of senior officials appointed by their governments, is responsible for preparing the work program and agenda of the Council. All decision-making in the D-8 is by consensus.

Working groups activated

This rather streamlined structure has already been put to work. Over the past six months, working groups of the D-8 have met, to draw up proposals for concrete projects of eco-

conomic cooperation. The working groups themselves, established by the Commission, are defined by activity. At a meeting of the D-8 held in Turkey on March 15-16, representatives of the D-8 countries set up the following groups: Trade, Industry, Telecommunications and Information, Finance and Banking and Privatization, Rural Development, Science and Technology, and Human Resources Development. Within each group are sub-groups, for which single countries have responsibility. The division of labor and projects was discussed at the March meeting, and substantiated in a progress report presented at the recent summit.

Trade: Chaired by Egypt, this group is responsible for harmonization of bilateral agreements on prevention of double-taxation, and the conclusion of a multilateral agreement for the promotion and protection of the investments. Free trade zones and establishment of a cotton union have been discussed. Egypt has proposed the establishment of an international marketing company among the D-8 countries. The group has recommended that D-8 countries consider a general agreement for establishment of general trading companies, to promote trade.

Industry: This working group, under the chairmanship of Turkey, recommends cooperation on design, development, manufacturing, and marketing of products in the aerospace, automotive, and electronics sectors. Specific projects discussed at the March meeting, and subsequently accepted, include mass transportation, stainless steel production, agricultural aircraft design and production, helicopter design and production, trainer aircraft design and production, electronics and avionics, submarines design and production, water production, computer chip production, multipurpose car design and production, textile machinery production, cooperation through the small and medium-size industries (SME) and promotion of the SME through means of micro-credit, establishment of D-8 productivity organization, and cooperation in locomotive and rail car production. Iran and Turkey proposed a conference, which they would host, for the automotive industry.

Telecommunications and information: Chaired by Iran, the group presented projects on information technologies and telecommunications, establishment of an industrial and technological data bank, and software development.

Finance, banking, and privatization: This group is chaired by Malaysia, and has elaborated proposals for technical cooperation, including insurance schemes (Takaful), joint ventures, investment, and banking.

Rural development: Bangladesh will chair this group, which has not yet completed its deliberations. It will deal with potable water supply systems in remote areas by PV pumps, water purification in remote areas, and helping the mountain, forest, and desert populations. Improvement of rural areas is to be pursued through micro-credit systems as a means of poverty alleviation.

Science and technology: Chaired by Iran, this group has

presented the recommendation that a D-8 council on science and technology be established.

Human resources development: Under the chairmanship of Indonesia, this group selected priority projects, which include training and livestock and fisheries; poverty alleviation; water resource management; and education programs, including graduate studies, and scholarship and exchange programs. Projects ready for implementation from this working group, include training in animal production, laboratory technology, and veterinary management; training in livestock artificial insemination; disease investigation techniques; technical training programs for women; graduate studies, and so forth.

Agriculture: Chaired by Pakistan, this group identified projects for cooperation in sugar crops; joint ventures in integrated feed lot units and poultry complexes; pressurized irrigation systems; plant bio-diversity; soil and water conservation; joint ventures in agricultural machinery; improvement and development of pest management; control and eradication of animal diseases; development of inland and coastal aquaculture.

Energy: This group, chaired by Nigeria, has not yet completed its deliberations. Areas under its responsibility include thermal, hydroelectric, and nuclear power plants, as well as liquid natural gas transport and shipping.

Health: Chaired by Turkey, this group dedicated to promoting public health, will establish an institute for environment and public health training as well as an AIDS prevention and control program. Food safety, nutrition, and cancer prevention and control programs are also included.

From all these, six priority projects were identified at the summit for immediate implementation. They are the establishment of an international marketing and trading company; poverty alleviation programs; establishment of an industrial and technological databank network among the D-8; establishment of "Takaful" (insurance) schemes, and joint ventures among D-8 companies; development of inland and coastal aquaculture; design, development, production, and marketing of aircraft for agriculture.

The D-8 is not a 'Cold War' bloc

Through the projects defined by the working groups, the D-8, in the words of Erbakan, "will play a big role in bringing peace and security." It is not, added Erbakan's minister of state, Abdallah Gul, a "bloc like those that existed during the Cold War. It is going to be a tool for dynamic economic cooperation." Furthermore, he stressed, "The political side is not really important," as the composition of the group itself shows. "They have very different political styles." Nor, he added, is this "the Muslim eight." It is, rather, in embryonic form, a kind of new Non-Aligned Movement.

Several prominent spokesmen of the D-8 emphasized this aspect in their speeches and remarks to the press at the summit. Erbakan himself cited the United Nations Charter, the decla-

rations of the Non-Aligned Movement, and “the Ten Bandung Principles, or Ten Principles of International Relations which were initiated by the historic Asia-Africa Conference in Bandung in 1955.” Iranian Foreign Minister Ali Akbar Velayati said at the summit, that he expected other Muslim countries to join the D-8 soon. Indonesian President General Suharto, during discussions on the sidelines of the summit with Iranian President Ali Akbar Hashemi Rafsanjani, stressed the importance of enhancing south-south ties and strengthening the Non-Aligned Movement.

One way that the D-8 will contribute to reviving the Non-Aligned Movement as a living process, will be through dynamic “networking.” This means, that the members of the D-8, will be able to bring into collaboration with the new institution, other countries associated in other forms, to which they also belong. For example, as Rafsanjani pointed out in remarks to the press, all the D-8 countries are also members of the Organization of the Islamic Conference (OIC), whose administrative and economic cooperation structures can be used. Furthermore, he stressed, the three founding members of the Economic Cooperation Organization, Pakistan, Turkey, and Iran, are also in the D-8. That institution, since the collapse of the Soviet Union, has expanded to include Azerbaijan and Afghanistan, as well as the five Central Asian republics. Furthermore, he said, there are in the D-8, members of the Association of Southeast Asian Nations (ASEAN), and of the South Asian Association for Regional Cooperation (SAARC). “While D-8 signifies the beginning of a new strategy for cooperation, it should complement and support existing regional and international groupings,” he said. “In our view, he added, “the main function of D-8 is to provide a flexible, transparent, and effective forum without a cumbersome bureaucracy to facilitate coordination at the macro level for implementation of large-scale industrial and economic projects requiring resources of more than one member-state. It should also concentrate on adoption of collective strategies to participate more actively and take their rightful place in international economic decision-making.”

Will the West respond?

Although certain Western press outlets tried to undermine the importance of the D-8, or to distort its founders’ intentions, by casting it as an adversary of the G-7, participants at the summit were explicit in affirming quite the contrary. The D-8 does, yes, mean that the nations of the developing sector will work together to speak with one voice, and will look to bodies like the G-7 as their interlocutors, but not from a hostile standpoint. Explicit in the summit’s draft declaration, is the statement, that the D-8 members are convinced that their joint efforts will augment their “contribution to the decision-making process at the international level” and allow them to “become partners in shaping world economic relations.” The document also expresses the D-8’s “collective resolve to

cooperate with both the developing and the developed countries in the realization of [its stated] goals.”

The D-8 has put something qualitatively new on the international agenda, which is the idea that countries bound by a common religious culture, may come together in active association, to establish new institutions, around the common commitment to abolish poverty, through massive, joint industrial cooperation, and thereby lay the basis for peace among themselves, and more broadly, with the rest of the world. The question is, will those leading nations in the G-7 welcome the offer of such a unique “partnership,” and share the D-8’s goals, of establishing peace through economic cooperation and growth?

Documentation

The following is the declaration of the “First Summit Meeting of the Heads of State/Government of the D-8 Countries,” on June 15, in Istanbul, Turkey:

We, the heads of state/government of Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey, having met in Istanbul on 15th day of June 1997, and,

having reviewed the international political scene and concluded that the post-Cold War international situation, including rapid globalization of the world economic structure, has created both opportunities and challenges for developing countries,

conscious of the deep-rooted and sincere aspirations of mankind for peace, dialogue, cooperation, justice, equality, and democracy,

having observed with disappointment and concern that instead of achieving these goals, new causes of tension, instability, conflict, and confrontation have developed in various parts of the world and old policies of double-standards, discrimination, and oppression have continued, and in some cases, intensified,

having confirmed that close and effective cooperation and consultation among developing countries is essential for world peace,

having exchanged views on the current global economic situation and its impact on our countries,

recognizing that the eradication of poverty requires ensuring universal access to economic opportunities that will promote sustainable livelihood, and making basic efforts to facilitate access to opportunities and services for the disadvantaged,

noting that people living in poverty and vulnerable groups must be empowered through organization and social life, in particular in the planning and implementation of policies that affect them, thus enabling them to become genuine partners in development,

recognizing the need for a stable international macro-eco-

conomic framework, open markets, enhanced financial resource support, and infusion of technological dynamism to sustain the competitiveness of our economies and to overcome their problems of integration to the world economy,

stressing the necessity for the international community to promote and implement policies to create a supportive external economic environment, through consultation and coordination in the formulation and implementation of macroeconomic policies,

stressing the need for a sound macro-economic management with emphasis on industrialization and human resources development and a constructive partnership between public/government and private sector,

considering the obstacles before our countries' economies for a faster and healthier growth,

recognizing the need to overcome the existing trade barriers facing our countries,

having noted the insufficient share of our economies in the global trade activities as well as the inadequate role of our countries in the global economic decision-making,

convinced that through our joint efforts, revitalization of our mutual cooperation and coordination with the rest of the developing world, we can increase our contribution to the decision-making process at the international level and become partners in shaping world economic relations,

desirous of enhancing the insufficient volume of trade among our countries, as well as increasing the group's exports to the outside world,

expressing the resolve of our governments for a wider use of modern technology and its effective contribution to the economic and social development of our countries,

committed to fostering a global partnership in the world economy based on a constructive dialogue through a democratic and participatory process,

expressing the immediate needs and expectations of our respective nations for a higher level of development in all its aspects,

being aware of our vast common potential and the proven benefits of closer economic cooperation,

stressing the crucial role of the business community in fostering cooperation among developing countries,

having acknowledged that the deep-rooted historical affinities provided a strong basis and framework for mutually beneficial cooperation,

underlining the imperative of respect for the purposes, principles, and objectives of the United Nations Charter,

subscribing to the principles of consultation, coordination, transparency, equity, equality, and respect for each other,

1. *hereby decide* to establish a mechanism for development cooperation which will be called Developing-8 (D-8),

2. *further decide* that D-8 will be a forum with no adverse effect on bilateral and multilateral commitments of the member states emanating from their membership to other international or regional organizations,

3. *declare* the main objective of D-8 to be socio-economic development in accordance with the following principles:

- Peace instead of conflict
- Dialogue instead of confrontation
- Cooperation instead of exploitation
- Justice instead of double-standards
- Equality instead of discrimination
- Democracy instead of oppression

4. *decide* that cooperation will encompass all areas, including political consultation and coordination at the international fora, and *agree* on a number of non-exhaustive areas of cooperation such as:

- Trade
- Industry
- Communication and information
- Finance, banking, and privatization
- Rural development
- Science and technology
- Poverty alleviation and human resources development
- Agriculture
- Energy
- Environment
- Health
- Tourism
- Culture and Sports

5. *approve* the Report of the Council which agreed on six priority projects to be launched immediately,

6. *encourage* the establishment of Joint Business councils among the chambers of Commerce and Industry and other related bodies of the member countries with a view to initiating action-oriented projects of cooperation and promoting concrete transactions within the business community in accordance with the principles and objectives of D-8,

7. *decide* that D-8 be a global forum whose membership will be open to other developing countries subscribing to the goals, objectives, and principles of the group and sharing common bonds,

8. *express* our collective resolve to cooperate with both the developing and economically developed countries in the realization of the above-mentioned goals,

9. *decide* that an appropriate mechanism be established to liaise with other relevant international organizations, particularly with the Organization of Islamic Conference,

10. *approve* the Council document on the structure and functioning of D-8,

11. *welcome* the decision of the government of Turkey to appoint an executive director to provide coordination during its chairmanship of D-8, and express deep appreciation for the generous offer by Turkey to provide facilities for the executive director in Istanbul and to meet his expenses during that period,

12. *decide* that the next meeting of the D-8 Summit will be held in Dhaka, Bangladesh in November/December 1998.