

# PARLIAMENTARY CONFERENCE OF THE ASSOCIATION

NINTH ANNUAL MEETING OF THE  
PARLIAMENTARY CONFERENCE OF THE ASSOCIATION

SUMMARY RECORD OF DEBATES

Friday, 30 March 1973

Part One

KINSHASA

Vice-President

The meeting opened at 9.30 a.m.

Approval of the minutes

The minutes of the meeting of Thursday, 29 March 1973 were approved.

Statement by the delegation from Mauritius

Mr JAGDAMB, on behalf of the observers from Mauritius, stated that the delay in parliamentary ratifications prevented his delegation from enjoying full membership of the Conference. He thanked the European delegates who would not fail to help in getting this ratification procedure completed.

Mauritius was a small State but its strategic importance should not be underestimated. The Mauritians, who were conscious of living in a sensitive area of the globe, were nonetheless keen on keeping their country out of the conflicts and situations of dangerous tension characteristic of the international scene.

Mauritius had a population of 850,000 inhabitants, 52% of whom were young people. It suffered from severe unemployment and under-employment; hence the need for a vigorous development policy. In this respect, the central problem was still that of the single-crop sugar growing. Efforts had of course been made in agricultural diversification, industrialization and the development of tourism. These efforts were, however, constantly running up against obstacles. There was, for example, the tea trade, which raised transport problems because the plantations were located in humid regions remote from the built-up areas where the workers lived. The development of food crops required a far-reaching research effort, as it must not work to the detriment of cane production.

Industrial investment was concerned above all with the processing of agricultural products. Mauritius had also acquired a tunnyfish cannery for exports to the United States.

The tourist resources of Mauritius were very promising. However, tourism must not be developed at the expense of social equilibrium. Tourist development sometimes sent up the cost of living and this might aggravate the already tense social situation.

Sugar was, after all, the foundation of the Mauritian economy. Therefore it was essential for all the partners of the Association to make an

effort to assist Mauritius with the marketing of its sugar. The main and ultimate problem was that of sugar production.

(Applause)

The PRESIDENT thanked the speaker from Mauritius and assured him of the interest the Conference felt in the problems of his country.

Joint discussion of the reports by Mr Perret on the Eighth Annual Report of the Association Council and by Mr Aigner on Community development aid policy

Mr ARMENGAUD thanked the Zaire authorities for their hospitality, Mr Perret and Mr Aigner for their reports, and Mrs Petry and Mr Deniau for their interesting addresses. However, rather than launching into the usual congratulations, he proposed to draw attention, speaking plainly, to the risks the Association was running and to the political rather than the technical aspects of the problems.

Since the last Conference, there had certainly been no lack of events:

- UNCTAD III, the results of which were politely described as 'modest';
- the Paris Summit Conference, which offered some grounds for hope;
- the enlargement of the EEC, with its consequences for the Associated States and those likely to become associated;
- the re-naming of the European Parliament committee responsible for questions relating to development;
- the monetary crisis, which was spreading and coming to a head;
- the accession of Mauritius;
- the announcement of the 'Nixon Round'!

It was therefore necessary to review the past and look into the future.

Following Mr Perret, Mr ARMENGAUD listed the various achievements of the Association; then a number of shortcomings such as the lack of cohesion between the Europeans, particularly in the monetary field, and their tendency to resort to national policies.

On a more general level, he spoke of the erosion of a Western world increasingly dependent on the oil-producing countries to which it was yielding more and more. These countries were becoming major holders of floating capital. He wondered whether the West was not perhaps becoming a giant with feet of clay and explained the feeling of frustration felt by the AASM and the developing countries.

The future of the Association depended on knowing which of the two opposing trends would win.

The first, typified by the attitude of the United States to South America and by the resultant failures, consisted in dispensing charity. It was unreasonable because it offended human dignity: people also had their pride. In addition, it was inadmissible from a country which practised a savage form of protectionism.

The second trend was based essentially on partnership. The EEC respected the AASM. It wished to put a check on their indebtedness, to conclude regional agreements on specific products, for want of a better arrangement, and to give a joint guarantee to private investment. As Mr Aigner had said, the manner of giving was more important than what one gave.

As President Senghor had recommended, it was important to deal with the causes of the losses of the Associated States. Mr Armengaud preferred Mrs Petry's more optimistic approach to the prudence of Mr Van Elslande.

After referring to the tendency of some European firms to establish branches in countries where labour was cheap, Mr Armengaud pointed out the great dangers presented by the 'Nixon Round'. There was a risk of re-discovering in this the belief in the universality of the American way of life and in certain taboos (like that of GATT, a 28-year old system which it was ridiculous to maintain). Moreover the dollar could not remain a flexible accounting currency. It was to be expected that the United States would try to sell off their surplus soya and cereals in Europe. It was in fact an increase in protectionism that was to be feared. The EEC-AASM agreements were directly affected. In addition, it was an illusion to believe that the opening of European frontiers would settle the problem of the eurodollar.

The American approach was superficial and false, but Mr Armengaud was not certain that all European countries were sufficiently activated by the desire to resist pressures from beyond the Atlantic.

In fact, a crossroads had been reached: a choice had to be made between preoccupation with profits, and the resultant physical and moral pollution, and the feeling of charity and brotherliness presiding over the distribution of the resources of the world.

The second choice was the only one which gave a guarantee of a worthwhile future.

(Applause)

Mr MARIGOH MBOUA on behalf of the Cameroon delegation, greeted all the members of the Conference and in particular the delegates from the new Member States, the United Kingdom, Ireland and Denmark.

After thanking the Zaire authorities for their warm welcome, the speaker stated that the present session was not simply a routine affair - new problems had to be faced, in particular the enlargement and renewal of the Association Convention, and the effects of the recent monetary crisis. The motion for a resolution by the Joint Committee reflected the anxiety felt about these problems. The new Convention would now open the way for new approaches. It must be a starting point for a new leap forward and usher in greater prosperity for all and a realistic and constructive dialogue.

(Applause)

After thanking the Zaire authorities and people for their courteous and cordial welcome, Mr BERSANI congratulated them on the progress made by the country's economy and social life.

The Conference showed first of all that the development of the Association was gaining more and more momentum as time passed. Within the institutions, consultation on all the major problems had been stepped up, exchanges of information had greatly improved, and the feeling of solidarity had been reinforced. This was of the greatest importance on the eve of the large-scale negotiations about to open on the international level.

In this context the speaker underlined the positive attitude of Italy with regard to development problems. Misunderstandings created by delays due to the complexity of Italy's constitutional system had now been entirely dispelled. Italy was quite aware that the negotiations about to open would require from everybody a great many sacrifices in the common interest for the sake of solving the gravest problems.

After emphasizing the part played by youth movements in the implementation of certain projects financed by the European Development Fund, the speaker noted that the reports now placed before the Conference reviewed all the problems arising and the prospects in view.

The first problem was one of consolidation. In spite of its deficiencies, the Association was an original and exemplary experiment. What had been achieved in the last few years must be safeguarded. In no case should enlargement call the existing achievements of the Association into question.

Considerable interest had been aroused by the proposal made by Mr Aigner, and also by Mr Spénale, for ensuring the stability and permanence of the aid granted within the Association by allocating for its financing some of the own resources which would soon be available to the Community. This was one of the most important suggestions made during the debates. It should be carefully considered.

It was essential to improve certain aspects of the Association. These related in particular to reverse preferences, the progressive nature of aid, price maintenance mechanisms and the tropical products markets. The speaker briefly outlined the difficulties encountered in this sector and the remedies which had been proposed.

On the enlargement of the Community, Mr Bersani said that President Yacé had painted a very clear picture of the difficulties encountered. It was an attractive prospect to consider the association of a larger Europe to a larger Africa. Without giving up anything that had been achieved, it was necessary to go ahead with an open mind to build a unified world under the emblem of peace.

After referring to other important problems in the monetary sector and in connection with trade and with international negotiations, Mr Bersani appealed to the countries participating in the Conference to come to the aid of Somalia which was passing through a period of great difficulties following the suspension of the aid to banana producers and the closing of the Suez Canal.

He concluded by emphasizing that, although it was important to be aware of the obstacles standing in the way, there must also be the will to tackle them with a sense of common purpose.

(Applause)

Mr GUILLABERT was delighted to be in the beautiful capital of Kinshasa. He thanked his Zaire friends for their warm welcome. The stay there would allow the members of the Conference to form a better idea of the efforts made towards progress in Zaire.

Mr Guillabert expressed his satisfaction at the presence at the Conference of the representatives of three new European countries, pointing out that President Senghor had always wanted Britain in the EEC. Without Britain, Europe was incomplete. Its accession also provided a means for the States

associated with the EEC to draw closer to the English-speaking African countries. He wished that all the countries of Africa could be associated in one form or another. Certainly there would be difficulties to overcome. The President of the Republic of Senegal had already given an example and set out determinedly along this road; many contacts had been made and discussions had been opened, in particular within OCAM. Mr Guillabert said that the Associated States sincerely wanted the English-speaking countries to join the Association 'club'.

He congratulated President Yacé on his opening speech. This speech had covered all the issues and the most important points; it could almost be considered as a charter of the present state of the association policy. President Yacé had spoken for all Africans.

Mr Guillabert also recalled the speech given by the President of the National Legislative Council of the Republic of Zaire, which had shown to everyone the originality of the experiment in progress in his country and the value of the search for its deep sources of authenticity.

The statement by the President of the Association Council had covered a wide range of problems. The speaker drew attention to the passage dealing with fruit and vegetables. Without dwelling on it, he considered that this was an extremely detrimental point for the future of the Association. It had already weakened the position of the African associates with respect to the English-speaking countries. It was a fact that on this point the Africans had been treated in an unacceptable fashion. In practice they were faced with a fait accompli; this explained the severe criticism voiced during the Accra meeting.

The Association was the result of an independent political choice. The choice was of Euro-Africa. The United States was looking for special ties with Latin America, and China and Japan were drawing closer to each other; it was therefore perfectly natural and desirable for Europe and Africa to look for ever closer channels of cooperation.

The speaker referred to the three aspects of the Association: trade arrangements, financial and technical cooperation and the institutions. Trade was suffering from the effects of the lowering of the common external tariff and the implementation of generalized preferences. The common agricultural policy of the EEC also raised a number of difficult problems. The Santiago Conference had revealed two contradictory arguments: on the one hand the United States' argument and on the other that of the Associated Countries. What was involved was a fundamental political option. The Africans did not accept the principle of a policy of low-price purchases followed by direct aid in the form of charity. The best form of aid was that which allowed them to sell at a higher price. The Africans did not want a policy of direct financial aid. They preferred a policy which improved the terms of trade,

permitting them themselves to finance the projects which they needed. In this connection the main requirement was not to increase the EDF contribution; what was important was market organization policy. The Africans wished to sell at higher prices and wished to make the sales themselves. In any case, they could no longer accept a policy which left it to the stronger party to fix prices and thus determine the conditions of development of the weaker countries. If Europe wished to help Africa escape from underdevelopment, the path to be followed was that of market organization. The Africans no longer wanted a policy of outstretched hands.

The political option referred to was the only one allowing true economic independence. A lot remained to be done in this field. True independence was not political independence. The strongest countries of the world were prepared to limit their political independence on certain points. The African countries were very often completely free of any political link, but true economic independence very often still had to be achieved.

(Loud applause)

IN THE CHAIR: Mr MARIGOH M'BOUA, VICE-PRESIDENT

#### Appointment of members of the Joint Committee

The Conference decided that, with an eye on the accession of Mauritius to the Yaoundé Convention and in order to ensure a situation of parity throughout the year, the European Parliament delegation to the Joint Committee would be made up of 19 members.

The President stated that, in accordance with Rule 20 of the Rules of Procedure, he had received the candidatures proposed by Representatives of the European Parliament and Representatives of the Associated States. The candidatures of the People's Republic of the Congo and Madagascar would be notified later.

These appointments were confirmed.

The list of members of the Joint Committee would be attached to the minutes of proceedings.

#### Appointment of the Chairman and Vice-Chairman of the Joint Committee

The President stated that he had received the following candidatures:

Chairman: Mr ACHENBACH

Vice-Chairman: Mr N'GOO MEBE

These appointments were confirmed by acclamation.

On behalf of the Burundi delegation, Mr NZEYIMANA thanked the Zaire authorities for the friendly welcome they had given members of the Conference.

He then welcomed the delegates from the new Member States of the EEC, adding that he hoped that they would be able to contribute to the coordination of economic relations between Europe and Africa.

Four months from the beginning of the negotiations for a new contract of friendship and cooperation, there seemed to be three encouraging features. First, the firm determination on the part of everyone to renew the links of association. Then the fact that the Africans were coming to realise more and more the need to introduce machinery allowing closer cooperation between them. It was regrettable that certain products from their countries could only find outlets in America or Europe. Thirdly, the speaker welcomed the statement by Mr DENIAU in which he had said that ideas on a policy of world cooperation to the detriment of relations between the EEC and Africa were based on a false argument.

He went on to pay tribute to the excellent reports by Mr PERRET and Mr AIGNER and emphasized some aspects with which his delegation was more particularly concerned. The developing countries needed considerable financial means and it would be desirable for them not to depend wholly on foreign assistance. Exports must therefore remain the principal concern of all the partners to the Association.

Mr Nzeyimana noted with satisfaction the suggestion by Mr Deniau concerning the creation of an insurance or compensation fund.

As for financial and technical cooperation, he emphasized the positive feature of the proposal by Mr Aigner to match the enlargement of the EEC with an increase in the financial means for development cooperation.

In conclusion, he drew attention to the importance of the institutional arrangements, which must certainly be made more flexible and improved, but which remained the basic element of the links of association.

(Applause)

After thanking the Zaire authorities and people for their hospitality, Mr GALLI supported the statements made by his fellow-countryman Mr Bersani about the need to continue and develop the Association.

He pointed out, for example, that even a, for the European countries, insignificant variation in the price of groundnuts and vanilla could have a considerable effect for the AASM. But the real problem was the social and cultural consequences of development aid. This was a fundamental aspect of the joint enterprise. Parliamentarians and responsible political figures in Europe could not pretend to forget that although for generations their aim had been to ensure for their descendants the highest possible standard of living, the youth of today was disputing the worth of this aim and calling for more genuine humanity. In the highly industrialized regions from which he came, air was no longer air and water was no longer water. The crucial question was whether the European countries could be put forward as models.

In putting this question he did not intend to avoid the economic problems. For him the expression 'generalized preferences' was a contradiction in terms. Reciprocal preferences were of fundamental importance, and institutional problems also. But economic structures should not be exported unless they were accompanied by a quality of life. Mr Aigner had rightly emphasized the need for a long process of reaching maturity followed by prompt decisions, but it was the human aspect which gave European aid its full meaning.

Referring to paragraph 8 of the resolution in the report by Mr Aigner, which had given rise to long discussions, Mr Galli hoped that, although it was no longer possible for the Europeans to wipe out some of their errors, these could at least serve as a lesson to others.

(Applause)

Mrs IOTTI thanked the Zaire authorities for the hospitality extended to the members of the Conference. International relations were going through a particularly difficult period in which much was happening. The international scene was dominated by the negotiations on the reform of the international monetary system and on world trade. The situation was difficult but every effort must be made to master it and to help consolidate peaceful coexistence.

The share of the countries of the Third World in international trade had fallen from 32% in the 1950s to 17% in 1972 and their debts were increasing. The situation was therefore fairly difficult.

Mrs Iotti considered that aid to the Third World was still inadequate. The truth of the matter was that its contribution to the prosperity of the industrialized countries had brought virtually no return. There must therefore be an end to speech-making and the expression of regrets. The time had come to grapple with the real problems such as :

- stable prices for primary commodities;
- opening world markets to Third World manufactures;
- the export of technology to these countries;
- the establishment of independent centres for capital accumulation.

On behalf of her political friends, Mrs Iotti stated that she would abstain from voting on the motions for resolutions. Her verdict on the text might be positive but the progressive elements it contained did not go far enough. At all events a genuinely joint policy was an obvious must.

The EEC must frame a genuine regional development policy for the future. She saw this as a condition for a rewarding dialogue with the countries of the Third World. If the structures of the EEC could not be better balanced, the policy of cooperation with the Third World might well never go beyond mere rhetoric.

She reminded the meeting that she represented a political force of major importance which spoke for a large part of the European working population. On behalf of these workers she expressed the hope that in future the association policy might become a dynamic factor in the consolidation of peaceful coexistence, and a focal point for peace and justice throughout the world.

(Applause)

Mr NORMANTON (United Kingdom) thanked the Zaire authorities for their hospitality and for the many facilities made available to the delegations. He also wished to thank all the speakers who had had words of encouragement for the new members.

He congratulated Mr Perret and Mr Aigner on their excellent reports. Referring to paragraph 28 of Mr Aigner's report, he stressed the importance of the interests of the sugar-producing countries. These were not only the African countries of the Commonwealth, but also the Caribbean and certain Pacific Islands. He recalled that one of the conditions of entry that Great Britain had laid down was that relations with the sugar-producing countries would be reviewed. The negotiations for this purpose would take place in four months' time and it was to be hoped that they would produce tangible results.

Mr Normanton said he would make only two comments on the recommendations contained in the two reports under discussion. Firstly, what the under-developed countries needed was trade, not aid. This trade should benefit both parties and, as far as possible, each geographical area.

Secondly, the growth of trade should not result in certain European industries being sacrificed for the sake of others. He referred in this connection to his own area, Lancashire, where the cotton industry had been sacrificed to manufactures.

He concluded by expressing the hope that the excellent general principles contained in the two motions for resolutions would not remain a dead letter but would lead to concrete action.

(Applause)

On behalf of the Chad delegation, Mr Aladji OUEDDO thanked the people of Zaire for their charming welcome and paid a warm tribute to President Mobutu. He also welcomed the presence at the Conference of the three new Member States of the European Economic Community.

The Conference provided an opportunity to take stock of the situation before a particularly knowledgeable audience and he hoped to find the political conditions necessary to obtain as wide as possible a consensus on the main problems.

Three of these were particularly acute as far as Chad was concerned - primary commodities, the financial and monetary situation and ecological problems.

The problem of unstable world prices for primary commodities had now been compounded by international monetary instability, as though vagaries of climate and traditional difficulties were not enough.

Moreover, Chad had now to struggle against an increasingly hostile environment and the ravages of a merciless drought. The countries most affected include some whom fortune has never particularly favoured. Certainly the Commission was aware of the tragedy and had taken certain measures but these were of an exceptional nature. What would happen if

the drought continued? This was a question that called for sustained attention within the Association.

On behalf of the Rwanda delegation, Mr NDAHAYO stated that he had greatly appreciated the welcome extended to him in Zaire and recalled the official visit by President Mobutu to Rwanda last October.

He congratulated Mr Perret and Mr Aigner on their reports which provided an overall view of the problems and the prospects for the future of the Association.

The AASM welcomed the efforts made by the EEC in regard to agricultural production and hoped that the development and diversification of export crops would be continued.

Alongside an increasingly modernized agriculture, the developing countries needed industrialization geared to the requirements of the modern world.

International harmony depended on an improved standard of living in the poor countries. It was therefore necessary to try to rectify the terms of trade through industrialization of the AASM and exploitation of their natural resources locally.

In regard to trade, Mr Ndahayo agreed with the recommendations in Mr Perret's report and hoped that the Community would do everything to rectify the situation. He expected a frank and resolute attitude from the Community in defence of the interests of the AASM during the forthcoming multilateral negotiations.

He emphasized the importance which he attached to the renewal of the international agreement on coffee.

He paid tribute to his European colleagues who had so courageously defended the views of the AASM on the duty-free import of fruit and vegetables from the Associated States, and he asked for this exemption to be made permanent.

He next referred to the problem of uneven development in the AASM. Allowance would have to be made for individual levels of development in allocating resources from the EDF and non-returnable subsidies granted to the countries whose level of development was lowest.

He stressed the need to train supervisory staff, taking into account the priorities established by the States concerned.

As for the future of the Association, Mr Ndahayo wondered what consequences the enlargement of the EEC would entail. There was no easy answer but one thing was certain and that was that the Community would honour the spirit and the letter of its undertakings. This assurance was a happy sign of the value of our Association.

In conclusion, Mr Ndahayo invited the EEC to implement as quickly as possible the measures which had been decided for the benefit of the developing countries at the Paris Summit Conference.

(Applause)

The meeting was adjourned at 12.25 p.m.