



THE OUTLOOK FOR COMMUNITY POLICY ON COOPERATION
WITH THE DEVELOPING COUNTRIES IN THE LIGHT OF CHANGING NORTH-SOUTH
RELATIONS AND THE FUTURE DEVELOPMENT OF THE COMMUNITY

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At a time when the Third World is facing greater needs and making heavier demands on the countries of the European Community as a result of the world recession and higher oil prices, the Community itself faces growing problems.

The Community's sensitive industries - textiles, steel and the rest - are being hit particularly hard by recession and pressure is growing for protection against imports from the developing countries; also restrictive fiscal policies are cutting into aid expenditure, while the political consensus without which it cannot act is increasingly hard to find. The entry of new Mediterranean members threatens to aggravate all these problems. At such a time there is little room for manoeuvre in Community policy and cooperation with developing countries.

The Community must concentrate quite selfishly on areas of shared interest (monetary issues, energy, commodities and food); there seems little prospect of much progress on trade and aid beyond improvements in efficiency, coordination and South-South cooperation. In the main traditional areas of Community cooperation - the Mediterranean and the ACP countries - this new approach must be put into practice, for instance by reorganising pre-accession aid to applicant countries or instituting cooperation with the ACP States on monetary matters.

There seems little scope in the near future for any major new ideas or initiatives or any further additions to the Community's powers.

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INTRODUCTION

The present work is an abridged version of a study commissioned by the Federal Minister for Economic Cooperation from the Friedrich-Ebert-Foundation research institute. The complete study has been published by Weltforum-Verlag, Munich in the series "Forschungsberichte des Bundesministeriums für wirtschaftliche Zusammenarbeit".

The purpose of this particular study was to give an account of cooperation with the developing countries to date, with particular reference to factors likely to determine future trends, to evaluate past policy, and to analyse the prospects as they are affected by the changing international economic and political situation, North-South relations, enlargement of the Community towards the south, and internal changes within the Community itself.

Such a wide-ranging field of study, covering some thirty years (including the future projections), conceived on a global scale, albeit concentrating on particular regions, and structurally reflecting the complex web of policies and decision-making machinery (in the developing countries themselves, the Community and the Member States) must be approached at a high level of abstraction if the findings are to be of any value in the debate on policy.

A study of the effects of Community development aid on the economy of Upper Volta, say, was therefore out of the question. To complete the work within a reasonable time and keep it to a manageable length, it was necessary to work with a broad brush and deal with more general relationships, arguments and objectives. Luckily, it was possible to work on the assumption that more detailed data was already available in digested form to the authority commissioning the study and to those interviewed, and also in secondary sources.

For publication in the "Europe Information" series, Sections 1 and 2, describing and assessing the history and current state of Community development cooperation policy, have been further summarized so that readers familiar with this subject can pass on more quickly to Sections 3 and 4, which deal with policy. Section 3 describes the factors determining future Community development cooperation policy, painting a generally pessimistic picture of international economic and political trends which enlargement, and internal developments within the Community, will if anything make worse, thereby reducing further the room for manoeuvre in development policy.

The analysis of future prospects (Section 4) is therefore based on the hypothesis of a Community faced with growing challenges but with dwindling scope for action. We proceeded on the assumption (see 4.1) that trade or budgetary concessions were highly unlikely. In 4.2 we did look at possible ways of extending the margin for manoeuvre, but as far as the central areas of trade and transfers are concerned we found little encouragement (4.3). Against such a background the first option would be a policy centred on areas of mutual interest between the Community and the Third World and based less on material concessions than on shared responsibility for common problems (4.3.3, 4.4). The second line of approach would focus on the modest progress that might still be made in such circumstances with the cooperation policies already under way (ACP, Mediterranean countries) (4.5).

OTHER PUBLICATIONS RELATED TO 'DEVELOPMENT'

Other EEC publications about the Community's relations with the Third World can be obtained from the following address:

Spokesman's Group and Directorate-General for Information
Publications distribution service, Room 2/84
Commission of the European Communities
Rue de la Loi, 200
B - 1049 Brussels (Belgium)

1. Dossiers

- The European Community and the Third World, Bruxelles, September 1977
- Europe and the Third World
A study on interdependence (by M. Noelke)
- Europe - Third World : The challenge of Interdependence (M. Nölke)
Edition 1980
- Lomé II - Special edition from the 'Courier' n° 58

2. "Information Series" and "Europe Information": (generally all Community languages)

- The European Community and the Textile-Agreements
special edition (June 1978)
- The European Community and the Arab World n° 169/79
- Europe-Tiers Monde: Rural Development
- Solar Energy: A new area of ACP-EEC Cooperation
- The EEC and the developing countries: Outside the Lomé Convention and the Southern Mediterranean
- Community Wine Imports
- Lomé II - Analysis chapter by chapter of the EEC-ACP Convention
- The development of trade between the European Community and the Arab League Countries
- Implications for the Southern Mediterranean countries of the second enlargement of the European Community (R. Taylor)
- Implications of the second enlargement for the Mediterranean and "ACP" policies of the European Community (E. Guth)
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