

Statsminister

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Med forbehold om endringer

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IMPORTANCE OF INTERNATIONAL ALLIANCES

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I. ON THE BRINK OF A NEW CENTURY

In an interdependent world, we need each other, for prosperity, for subsistence, even for survival. Our shrinking planet holds no sanctuaries where segments of humanity can hide.

The Olympic Games in Lillehammer is one of many different world events, reminding us of how much our common future depends on mutual understanding and cooperation. The goal spelt out in the Olympic charter reminds us that we need the spirit of friendship, solidarity, agreed common rules and fair play.

This is what we need - on this brink of a new century.

In order to achieve a sustainable balance between a growing world population and the amount of natural resources that can be consumed, both the peoples of the industrialised countries and the rich in the South have a special obligation to reduce their ecological impact. In fact, if 7 billion people were to consume as much energy and resources as we do in the West today we would need 10 worlds, not one, to satisfy all our needs. Thus business for the future is not about producing ever more goods, but about meeting peoples needs within the limitations set by nature.

The truth is that our present patterns of production and consumption are ruining the natural environment which is the capital whereby future generations should prosper. Had a private company dealt with its capital in a similar manner, it would have been considered uncreditworthy and faced early bankruptcy.

The challenge is made greater by the endemic unemployment which now afflicts most of the industrialized world. About 20 million people are out of work in Western Europe alone. We have reached a stage in our development where we can no longer take for granted that economic growth will lead to increased employment. We can no longer be so sure that we will experience progress.

Moreover, if people are out of work, if they feel they are not being useful, there is a risk that they will fall victim to the seductive voice of populism and irresponsible demagogy. This is a serious threat to the cohesion of our societies and to democracy itself.

We are thus faced with a gigantic task: How to make changes in the world economy leading to a more just world where we bridge the present gaps between the rich and the poor. We are forced to make changes in our economies which reduce the strain on the environment, and we are compelled to find

new solutions to unemployment. Human resources is presently a resource which we use too little.

Despite a well qualified work-force, despite technological achievements, despite all the immense improvements that have taken place in the industrialised nations - in this relatively fortunate part of the world - we face a new generation of problems that pose a serious threat to our society. Profound changes are needed in the ways the economies work. If we fail, we risk a major set-back and slow-down in our efforts aiming at not only regional, but global prosperity which must continue to be our overriding objective.

This is why we are compelled to manage a transition more important than the agricultural and industrial revolutions. Whereas previously we could be concerned with distribution of wealth and resources among the present generation, we are now faced with the Herculean task of distributing resources between present and future generations. Against this whole background, we can easily draw the conclusion that we need many more and much stronger international alliances in the years to come - between people of all nations, within politics and within the business community.

A world in which extreme poverty exists side by side with material prosperity and even luxury will not be a politically stable world.

My thesis is that equality can be made a productive force rather than an obstacle to prosperity. A feeling of justice creates a climate of trust and cooperation whereas large disparities in wealth and opportunity contribute to violence and to fear. Therefore, we can accept no limitations to our own capacity to act as an engine of change and renewal.

II. SUSTAINABLE DEVELOPMENT

Our challenges are great, but so are our opportunities. Never before have we had so much knowledge. Never before have we had a greater capacity. What we must do is to use our collective resources to promote the transition towards sustainable development.

Our economies need growth, yes, but it must be a new kind of growth, a growth that enhances the environment and the resource base instead of degrading it. A growth that increases the quality of life for all instead of leading to congestions, more pollution and overuse of resources. A growth which will represent positive change and more opportunity.

Traditionally, economic growth as we know it has meant producing more and more goods, using more and more natural resources, and placing an increasing strain on an already fragile environment. This pattern cannot be repeated uncritically on a global scale. However, recent research has taught us that perpetuating this kind of economic growth is neither necessary nor possible for prosperity. Growth does not necessarily mean more goods, it can also mean better goods and services.

Sustainable development is a question first and foremost about people, about how the present generation must be able to satisfy their own needs and about how we must leave enough environmental space for future generations to be able to satisfy theirs. The needs and aspirations of the present generation have to be met without compromising the ability of future generations to meet their needs.

This equation comprises the whole of the global community. It requires co-understanding and solidarity across borders, continents and generations. There is today no limit to the number of generations whose interests we must recognise and heed.

Frankly, we have the option to ruin this planet, but we also have the option to save it, to chart a new course. I am convinced that we can make this transition and that humankind has the potential to chart its own path towards the future. We would fail abysmally in our duties if we neglect to implement the concept of "sustainable development"; if we fail in mobilizing what should be a comprehensive net of workable international alliances.

III. THE GOVERNANCE IMPERATIVE

In a changing world, where strong forces operate across boundaries and between continents - be it within finance, industry, consumer markets, communications or the technological fields, to mention only some - governments must develop new means of governance. Reliance on the forces of the market alone is clearly insufficient. However good market mechanisms are at allocating resources effectively, the market alone will never provide full employment, environmental excellence, or social justice. There is no invisible hand that will lead us to stability, peace and development.

But no matter how strong the political will, there is no single national road to full employment, to monetary stability, low interest rates or to environmental excellence. These challenges, ladies and gentlemen, are common to all.

The concept of integration has in fact become the recipe for the survival of the nation states. When so many of the forces influencing our future are operating on the international level, and the power of individual states is eroding, we must also lift democratic decision-making and public governance to that same level. There are no alternatives to governments acting together through international institutions. Unilateralist approaches to

international issues will only prolong the present unsustainable trends.

But the present situation falls dangerously short of our needs. Our present international institutions are too weak to secure political decisions that are effective in a global context. The absence of organised forms of socially accountable and democratic political governance at global level emerges as the fundamental weakness of the present world configuration. The gap between the most powerful process of economic globalisation driven by business firms and corporations on the one hand, and the explosive nature of most social, economic, environmental and political problems across countries and regions of the world on the other, is unacceptable.

To close that gap we must initiate and intensify a process of institutional change based on democratic principles. Democracy is the only acceptable framework. It embodies necessary correctives; reacting both when the course of politics is wrong, and when the course is right but the pace is wrong. Democracy gives us room to learn by forcing us to listen to our adversaries, to see our political opponents not only as obstacles in the path to accomplish goals, but also as a potential source of insight and new solutions. It is precisely because democracy has a built-in mechanism for acquiring new insights, for adjustments, for learning from others, that it has proved superior.

Laissez-faire attitudes and reliance solely on the market place will turn our global village into a global jungle. In each individual country, development must be a bottom-up process, but progress will be delayed unless governments actively promote renewal and positive change. And such efforts must be coordinated between countries. Each individual problem must be dealt with according to its real nature. Common problems require common solution regardless of whether they are local, national, regional or global.

Already Kant said that the civilized state had been achieved within the nation, but no such comprehensive order was in place between nations . There would be no end to suffering, said Kant, until the norms of the civilized state were made to apply between nations.

At present only our European regional organization, the EU, has the mandate and the powers which is strong enough to pool the sovereignty of its members in the pursuance of common goals. Other regions are currently looking to Europe for inspiration in their own institution-building. We see ideas in this respect at present both in Southeast Asia and in the Middle East. On the road to global governance, the intensity of the processes of political regional integration is of critical importance.

IV. KNOWLEDGE AND INNOVATION

Although investment in physical capital may yield decreasing returns, there is no reason to believe that investment in new knowledge is subject to such limitations. On the contrary, the fact that recent technological breakthroughs coincide with general access to education suggests that we may only have seen the beginning of technological change.

The process of required change is in itself a dynamic restructuring process. We will see the need to replace capital stock to promote energy efficient technology. We will see investments in infrastructure to meet an entirely new model of future activities. We will see new knowledge in the broader sense to be developed and spread world-wide at a high rate.

It has been at times of important political change that knowledge as a common good has expanded most widely. Therefore, the best prospects for our future seem to lie in

the choice of raw materials, operating procedures, technology and human resources. A number of new products have already been developed which have found significant markets at the same time as they have benefited consumers and the environment, provided jobs and stimulated business.

But there is of course, still quite a distance to go. During the past twenty years or so, business in general has tended to be overcautious and conservative in its approach to the environmental and social challenges. We can no longer afford this. The corporations must put upon themselves more social, economic, and environmental responsibility. The imperatives of sustainable development imply that a business organisation that intends to survive and prosper in the decades ahead, must become a "learning organisation". It must be built to adapt to rapid changes, to generate creative solutions, and to develop new ways of doing business.

Within this context of continuous change and innovation, business firms of all categories will need external partners to fulfill their objectives - it be partnerships and alliances with suppliers, customers, research institutions or companies from the same industrial sector; it be with domestic or foreign partners.

The crucial point is to bring about organisational solutions and processes in which all partners benefit from a pooling of resources, skills and energies. Successful business partners will be those that cooperate in such a manner that they are adding value for their shareholders and society. As the organizer of this conference has stated: "Cooperation, alliances, sharing and innovation will be the key characteristics of the new look of global business in the 1990s and the next century."

This outlook is of vital importance to Norwegians. With her extensively foreign trade, the economy of Norway is today among the most open and internationally oriented in the

world - based on resources such as timber, fish, oil, gas, minerals and our scenic nature, on highly competent seamanship, on engineering skills, human capital and on organisational capabilities. During this conference I am sure you will be presented a comprehensive and updated version of these industrial assets and partnership opportunities.

VI. CONCLUSION

To Norwegians the Olympic games in Lillehammer means far more than a great sport festival; it means more than a contribution to a great idea and a great international movement. To us the celebration of the Winter Olympic Games confirms and expands our international traditions, our global outlook and deeply felt will to cooperate with people and countries of different cultural, social, political and economic complexions.

Competition and fair play is important as an incentive, but co-operation is necessary for success. So rather than talking about the competitive advantage of nations, we should speak about their "co-operative advantage". Like the philosophy of Olympism, we should seek to create a way of life to everybody, based on the joy found in effort, in the educational value of good example and respect for universal fundamental ethical principles.

We should remember that our generation is the first to face the following challenge: There is no limit to the number of future generations that we must show our solidarity.

It is no less than our common future that is at stake. To win, we need to rededicate our governments and democratic systems. To win, we must redefine the role of our business communities. We will need commitment, compassion and conviction. The problems are common to all. So must be the responsibility to take part, to make innovations and to introduce the necessary changes - in time.