

**Annual Conference of The Club of Rome in co-operation with
The Arab Thought Forum:**

“In Search for Common Ground for Peace and Development”

8-10 October, 2003

Amman, Jordan

Statement

Being aware of the urgent need to search for a common ground for peace and development, members of The Club of Rome from all over the world met with representatives of The Arab Thought Forum in a joint conference in Amman, Jordan, 8-10 Oct 2003. The frank and inspiring dialogue focused on the main challenge threatening today's world political stability and sustainable development: fighting the increasing poverty.

We have to state that despite all efforts of the past decades of development, almost no progress has been made to overcome the North-South gap. Although there was hope that the process of globalising markets would lead to more equity and the socio-economic inclusion of the poor, this has not come true. On the contrary, we are facing the crucial fact that the rich have become richer, the poor poorer: the main reason why we are confronted with an increasingly conflicting world destroying precious human, social and natural capital, thus threatening the future of humankind.

Is there any hope to humanise globalisation and to alleviate poverty? What can and should be done? The conference tried to find answers.

As the trickle down effect of globalising economic activities has not become a reality in a sufficient way, we have to develop economic structures and markets in a bottom-up process empowering people for socio-economic inclusion and creating the hundreds of millions of jobs urgently needed to overcome the already existing high unemployment exacerbated by the population growth.

There exists a vast potential for this bottom-up process of socio-economic development. This is shown by the vitality of the widely existing shadow economy, where people under very hard conditions are struggling for survival. And in many regions these activities contribute to almost seventy percent of the economy.

To activate this bottom-up potential, several obstacles need to be overcome:

- a) There has to be a shift in the current political environment from centralised to decentralised, participatory decision making structures.
- b) A reliable legal framework has to be established to protect citizens as well as investment.

- c) A financial system has to be put into place that would promote grass-root entrepreneurship through micro-credit facilities.
- d) Appropriate technologies need to be developed and leap-frogging to be utilised to focus activities on the sustainable use of local resources.
- e) This has to be accompanied by efforts to build an education system with special emphasis on the participation and empowerment of women.

As regional markets grow there exists a need for border crossing regional co-operation. Intra-regional co-operation must develop as it promotes economic development and peace. The Arab Human Development Report (AHDR) has highlighted these statements but has simultaneously shown that the countries in this region are still lagging behind in overcoming these obstacles. This relates especially to the willingness and ability to enter into regional co-operation. Inter-regional co-operation between the European Union (EU) and the Middle East and North Africa (MENA) would be a natural start to this peace building and economic development process. But the Barcelona Process aiming at a closer EU/MENA co-operation has clearly shown that there is presently little chance for joint comprehensive co-operation so some countries have to assume leadership to build up this framework for inter-regional co-operation step-by-step. NEPAD, where five states took the leadership role for building intra-regional co-operation in Africa has proven that such a strategy is feasible.