

United Nations
**GENERAL
ASSEMBLY**

ELEVENTH SPECIAL SESSION

Official Records



**8th
PLENARY MEETING**

Thursday, 28 August 1980,
at 3.40 p.m.

NEW YORK

President: Mr. Salim Ahmed SALIM
(United Republic of Tanzania).

AGENDA ITEM 7

Assessment of the progress made in the establishment of the new international economic order and appropriate action for the promotion of the development of developing countries and international economic co-operation (continued):

- (a) New international development strategy for the third United Nations development decade;
- (b) Global negotiations relating to international economic co-operation for development;
- (c) Other matters

1. The PRESIDENT: In accordance with decision S-11/22, taken by the General Assembly at its 1st plenary meeting [see para. 80], I call on the next speaker, the Director-General of the International Labour Organisation, Mr. Francis Blanchard.

2. Mr. BLANCHARD (Director-General, International Labour Organisation) (*interpretation from French*): I should, first of all, like to associate myself with all those who have hailed or will in future hail the admission of Zimbabwe to the United Nations.

3. The eleventh special session of the General Assembly marks an important and decisive stage in the efforts of the international community to establish a new international economic order. While the comments I have the honour to present on behalf of ILO refer to the Assembly's agenda as a whole, they apply, first and foremost, to the draft international development strategy [see A/S-11/2 (Part III), annex]. For that strategy reflects social concerns to which ILO attaches a great deal of importance.

4. It has become very common now to refer to the failure, or at least the relative failure, of the Second Development Decade. At the time of the establishment of the framework and objectives of the new strategy, who cannot see the burning need to arrive at an agreement on the main outline of speedier, more just development? The first requirement is to have a clear view of the enormous tasks which challenge our generation. To deal with but one of the fields within the purview of my organization, namely employment, I should like to refer to some figures which are brief but eloquent: 455 million workers in the world are either unemployed or under-employed; more than a billion jobs have to be created in the world by the end of the century in order to ensure full employment, and of these 880 million jobs must be created in the third world alone, more than 40 million a year.

5. Those jobs would go mostly to young people. There are in 1980 some 850 million young people between the ages of 15 and 25, and for many of them there is no

prospect of employment, whether short-term or long-term.

6. The problem of employment reflected in those figures is, unfortunately, not a new one. It has worsened with the expansion of population and with the precarious situation of the world economy. The International Labour Organisation devotes an important part of its activities to this problem. It was under the auspices of ILO, and with the assistance of the major international agencies, that a particularly important conference was held from 4 to 17 June 1976 in Geneva: the World Conference on Employment. If I refer to that Conference, it is not out of any petty concern with prestige but because everyone has recognized that the Governments and the representatives of employers and workers, gathered together at Geneva in 1976, tried with clarity and courage to establish measures combining national and international action that would bring about a solution of the problems of unemployment and poverty over the next 20 years. The International Labour Organisation thus expressed its desire to participate in the grand design represented by the establishment of a new international economic order.

7. Other world conferences took place in the decade that has just come to an end in the fields of population, the environment, food, agrarian reform, industrialization and so forth. Those conferences were criticized more than they were praised, and the results did, indeed, sometimes seem meagre. However, they had the merit of gathering facts and sensitizing world opinion. They also had the merit of reconciling different views and analyses, though only to a certain extent, I admit. We now have the diagnosis: it is clear-cut and disquieting.

8. What is needed now is to define an overall policy designed to achieve a coherent orientation of all the activities of the components of the United Nations system, Member States as well as international agencies. What is also needed is agreement on the means to carry out this policy.

9. It will be the honour of this Assembly to establish the goals and means of the strategy and make it the fervent obligation of the Governments, the parliaments and the peoples of the United Nations.

10. The drafting of the text before the Assembly [see A/S-11/2 (Part III), annex] has been a hard task. They are perhaps all the more worthy of note in that they represent a compromise opening the way to a consensus which the Assembly will be able to endorse. The specialized agencies have been closely associated with the preparation of the texts. Everyone agrees that all in all this association has been fruitful.

11. The International Labour Organisation welcomes the way in which the social objectives of the international development strategy have been worded in the draft text. The social goals of development are affirmed on several occasions in the text, and in specific terms. The problems of employment, training, the choice of technologies, the development of human resources, the

distribution of income, conditions of work and standards of living, labour by children, women and youth, participation and so forth are all dealt with in a practical manner. This text, I believe, is conducive to hope.

12. Nevertheless, we cannot help experiencing some fears which I hope this session will contribute to erasing. Indeed, if agreement seems to have been generally reached regarding the social aspects of the strategy, that is not the case regarding the economic aspects, among which are the particularly difficult problems of trade, development financing, the monetary system, energy and many more. Social progress and economic progress cannot be dissociated. Therefore, the agreement achieved on social objectives will not be real unless there is also agreement on the questions that are still under discussion in the economic field. More than ever today, the political will that is expressed at the highest level and applied to precise and ambitious objectives, seems to be the *sine qua non* condition for overcoming those difficulties which have hindered the establishment of a new international economic order for many years.

13. The agreements which will have to be negotiated will require reciprocal concessions on the part of the developing or industrializing countries as well as on the part of the wealthy and industrialized countries, and among the latter the countries with a planned economy as well as those with a market economy. Worsening unemployment, the price and currency instability, the impact of new technology—all that leads to the urgent search for solutions strictly adapted to internal difficulties that are different for each country. Nevertheless, the impression is at last beginning to take hold that the prosperity of one requires the prosperity of all. The idea of a world in which hundreds of millions of privileged men and women—whether from the East or from the West—coexist with many billions of poor is more and more shocking.

Mr. Oyono (United Republic of Cameroon), Vice-President, took the Chair.

14. That, however, is the picture of the world today. And tomorrow's world will present us with an even more unbearable picture if we do not resolutely commit ourselves to the path of progress and co-operation. That is not an impossible task.

15. I should like to recall, for example, that the level of official assistance now given by the industrialized countries with market economies is approximately 0.30 per cent of gross national product and that that of the industrialized countries with planned economies is far from having achieved that average percentage. That is to say that official assistance is one twentieth of arms expenditures, of the huge amount of which I need not remind the Assembly.

16. The modest effort at the level of national budgets to increase this official assistance would have significant positive consequences, particularly for the poorest countries and, consequently, for the international community as a whole. And the economic development of the third world would make it possible, by greatly increasing trade, to foster a renewal of activity in the rich countries themselves and encourage them to make efforts towards the necessary restructuring and innovation.

17. It is against that background that the ILO Governing Council has very carefully tried to establish the terms of the final report [see A/S-11/6, annex, pp. 90-109] submitted to the Assembly for its consideration pursuant to the terms of its resolution 33/198 on

the progress made towards the establishment of the new international economic order.

18. Coming from the only organization of the United Nations system that is made up of Governments, employers and workers—the ILO—that report, I believe, clearly shows that the debate is not limited to technicians and experts of a political background but that it also comprises the participation of working men and women, without whose support the best plans would remain unimplemented.

19. From paragraph 4 of that copious report, I should like to quote an excerpt in which the Council recalls that “... the successful implementation of a full employment policy, while country-specific, largely depends upon factors influenced in part by other countries, including foreign trade, energy, international migrations, capital movements, investment, technological transfers and the balance of payments.”

The report of the Governing Council of ILO adds that “It is the very purpose of the New International Economic Order to correct structural imbalances of such scope.”

20. There is no need to emphasize the convergence of that analysis and those that are the subject of the Assembly's debates today and, I hope, its decisions subsequently; for I firmly hope that the draft strategy for development before the Assembly will be adopted.

21. That will be a decisive stage. I should like to add, however, that the adoption of a text would be devoid of any meaning, if it were not implemented or only partially implemented. Assessment procedures that should make it possible to deal with difficulties of implementation are essential. The draft strategy—and I welcome this—provides for the participation of the specialized agencies in that assessment.

22. For its part, ILO will not shirk this extremely important responsibility. It will do so thanks to two distinctive features of our organization which I wish to point out to the Assembly. The first is ILO's tripartite character, which I recalled a moment ago. In associating itself in this great undertaking, ILO can provide employers and workers, alongside Governments, a unique opportunity within the United Nations system to express their views on the implementation of the development strategy.

23. The second is the long-term practice of ILO of achieving progress in the solution of labour problems by the adoption of international norms and standards and, in particular, international labour conventions. This “legislative” task, to which all countries have agreed, whatever their political system and level of development, is in conformity with ILO's central objective, namely peace based on social justice and respect for human rights. But it also stems from the efforts of ILO to do away with inhuman labour practices which, by running counter to the physical and moral integrity of workers as well as to their dignity, distort the rules of international competition.

24. That is why a system of control of the application of these norms has been established. It might perhaps be possible to make use of the ILO control machinery in order to obtain useful information for the assessment of the implementation of the strategy. That is a problem on which the ILO in Geneva is working at present.

25. In conclusion, I should like to express the ardent hope that this session may become a special moment in history and that those who, on the pretext of tension and conflicts, yield to fear and tend to give up will be proved wrong.

26. Undoubtedly, fear prevails in the disorder of our present world. That is why, here more than anywhere else, we must spare no effort to bring to the hearts and minds of all the hope—that so many signs show to be justified—of a more plentiful, more unified world.

27. Mr. TSVETKOV (Bulgaria) (*interpretation from French*): I should like first of all to express to Mr. Salim my heartiest congratulations on the occasion of his unanimous election to the high post of President of the eleventh special session of the General Assembly of the United Nations. In him, the delegation of Bulgaria is pleased to welcome once more a worthy son of Africa, the representative of the friendly United Republic of Tanzania, a country with which mine has friendly relations of fruitful co-operation. I wish also to assure him that my delegation will do its utmost to see to it that the work of this session is crowned with success.

28. I should like also to associate myself with the congratulations addressed to the delegation, the Government and the people of Zimbabwe on the admission to our Organization of that gallant country, which has made so many sacrifices for its liberation. The people of Bulgaria took a resolute stand alongside the people of Zimbabwe from the very beginning of its heroic struggle for independence and social progress. We have no doubt that this tradition of active solidarity and the personal contacts established at the highest level between the leaders of our two countries will certainly have a most favourable impact on the further fruitful development of our relations. It is with that sentiment of deep sincerity that we wish to the people of Zimbabwe more and more success in its harmonious development.

29. The thorough discussion of questions of international economic co-operation being held at this special session is striking proof of the concern of the States Members of the Organization for mankind's future. It also is a reflection of the noble aspirations of all peace-loving peoples to a new, more just world in which the threat of war and destruction, exploitation, inequality, poverty, hunger, sickness, ignorance and the other social scourges of our time will have disappeared forever.

30. This session also marks a new step in the development of international economic co-operation because it affords us an opportunity to make a correct assessment of the progress already made in this field. But, at this borderline between two centuries, we must not only consider the ground already covered and the missed opportunities, but also turn towards the future and seek to draw up and adopt measures and guidelines capable of moulding the process of international economic co-operation both during the coming decade and afterward.

31. In the decade that has just ended, the outlines of a process which was exclusive in scope were drawn; that process was of historic importance to mankind's fate. I am referring to détente, to the transition from the so-called cold-war policy to the reduction of international tension, the constant strengthening of mutual trust, and the consolidation of the principles of the peaceful coexistence of States with different political, social and economic systems. The first steps on that long and complex road had a beneficial effect in all fields of international relations, and particularly in the economic field. It was possible to create conditions favourable to concerted efforts to resolve the problem of the acceleration of economic and social development in the developing countries. It was precisely those positive changes which, during the 1970s, provided the objective conditions worldwide for embarking upon a vast movement

towards the restructuring of international economic relations on a progressive and democratic basis.

32. Regrettably, however, we have recently been witnessing a very perceptible increase in international tension, which could hamper and even put an end to the positive processes in international relations. Certain Western circles do not hide their intention to resuscitate the former atmosphere and to put into use again the arsenal of means of the so-called cold-war period. The intensification of the arms race, the recourse to force and the threat of force, economic aggression, blockades, boycotts: all those things pose a real danger not only to international peace and security but also to the democratization of international economic relations.

33. That is why we believe that the restructuring of those relations must be considered within the framework of their close dependence on the efforts to overcome the threat to détente. We, for our part, are firmly convinced that in the final analysis this threat will disappear. Our optimism is based on the fact that the idea of détente, as the only reasonable choice, has gained firm ground among the largest sectors of the population of the world; it has become an effective force of our times. We are also perfectly well aware that peace in the world cannot be guaranteed once for all and that there must be a fresh stimulus if détente is to be safeguarded and dialogue is to continue.

34. In that regard, it must be emphasized that if further progress is to be made in the restructuring of international economic relations and, particularly, in the solution of development problems, practical and concrete measures of disarmament must be embarked upon. For, as is emphasized in paragraph 16 of the Final Document of the tenth special session of the General Assembly, devoted to disarmament [*resolution S-10/2*]:

“The hundreds of billions of dollars spent annually on the manufacture or improvement of weapons are in sombre and dramatic contrast to the want and poverty in which two thirds of the world's population live. . . . Thus, the economic and social consequences of the arms race are so detrimental that its continuation is obviously incompatible with the implementation of the new international economic order based on justice, equity and co-operation.”

In that connexion, I would recall that the People's Republic of Bulgaria, together with the other countries of the socialist community, is exerting consistent efforts to rein in the arms race, to achieve disarmament and to rechannel to development purposes the funds thus released.

35. Throughout recent years, speakers at this rostrum have often referred to the problems and needs of the developing countries. We have seen such documents adopted as the Declaration and the Programme of Action on the Establishment of a New International Economic Order [*General Assembly resolutions 3201 (S-VI) and 3202 (S-VI)*], and the Charter of Economic Rights and Duties of States [*General Assembly resolution 3281 (XXIX)*—documents that set forth the main guidelines of assistance to the developing countries and the restructuring of international economic relations on a new and just basis. Today we must note that some progress has been made in solving some aspects of the problem. Thus, we observe with particular satisfaction that the developing countries themselves have achieved some positive results in their struggle for progressive social and economic changes, for the mobilization of internal resources for development purposes.

36. We must, however, observe also that the progress that has been made is still extremely unsatisfactory and very far from meeting the needs of those countries. What is more, the general situation not only has not improved but has deteriorated in many respects.

37. An impartial analysis would show that the principal obstacles to the achievement of the aims of development and international economic co-operation result to a large extent from weaknesses inherent in the capitalist economic system. The recent crisis phenomena in the capitalist economy are the principal external cause of the trade, economic, monetary, financial and credit problems facing the developing countries.

38. Another very important obstacle facing those countries is to be found in the negative consequences of the activities of transnational corporations. Those activities are in fact the main causes of the drain in national products and they are at the basis of the creation in the developing countries of a mono-economic structure that lacks stability and is therefore vulnerable because of its dependence on very restricted markets. By creating obstacles to the free use by those countries of their natural resources, the transnational corporations are today serving as the control mechanism in the carrying out of modern neo-colonialism's aims.

39. The economic crisis and its negative impact on economic relations have in many ways been reinforced by the preservation and strengthening of discrimination and protectionism. Moreover, international trade is sometimes used as a means of pressure and even of *diktat* against independent States, and it is also used to achieve ends that have nothing whatever to do with international economic co-operation. In that regard, there are particularly alarming instances in East-West economic relations.

40. The artificially created obstacles in trade reflect a lack of respect for the fundamental principles of international economic relations, and I regret to have to say that my country has in its trade relations with some Western countries had to face such negative practices.

41. It is well known that Bulgaria is trying to make a material contribution to the development of trade with the developing countries, including the least developed, through the implementation in a non-discriminatory and general way of a system of tariff preferences for imports coming from those countries. However, according to many indices, Bulgaria is at an economic level comparable to that of many countries that benefit from the generalized system of preferences. At the international level, this situation is recognized by practically all the main trading partners of Bulgaria among the donor States which have granted our country preferential tariff treatment. Of those donor countries, the only group that has refused analogous treatment in favour of Bulgaria is the European Economic Community, despite the fact that almost all its member States have expressed understanding and support for us.

42. The arguments that have been put forward by the organs of the Community concerning the postponement of a positive solution of the problem are devoid of any economic or objective foundation. It is therefore quite evident that in this case we are confronted with a very clear example of a discriminatory attitude towards Bulgaria on the part of the organs of the Community, which of course goes against the principles of equity and the requirements of justice.

43. However, we hope that the principles of objectivity will finally be victorious, since that would certainly serve the interests of international trade and economic

co-operation, be mutually advantageous and rid us of all discrimination, thus putting an end to the subordination of trade to ends that are completely alien to it.

44. Our people's bitter experience in the recent past has made us realize very clearly the nature and grave character of the problems that are confronted by the developing countries. Because of the socio-economic progressive and radical reforms that have been made over three and a half decades, our people has achieved much success in its own development. The basis has been created for a society dedicated to social equality and justice, and thus our people's efforts have led to major material and cultural progress. We have ensured that we would have a system that would do away with exploitation of our country's resources by transnational corporations by denying them the chance to determine the direction of the development of various branches of the economy or of specific sectors of production. The functioning and management of the national economy is based on principles that make it possible, if not to neutralize, at least effectively to limit the negative impact of inflationary trends, of monetary crises and abrupt financial and credit fluctuations.

45. The principles of the organization of economic activity in our country itself and the principles of co-operation and mutual help within the framework of the Council for Mutual Economic Assistance certainly favour the promotion of a system of comprehensive co-operation based on equality, which is most propitious for development, with many developing countries.

46. The practical effect of this, and the vast new perspectives opened up by the implementation of the system, were revealed in the series of visits which the President of the State Council of the People's Republic of Bulgaria, Todor Zhivkov, paid to many African and Asian countries. The comprehensive, systematic approach to the broadening of co-operation between Bulgaria and those countries has made it possible to achieve tangible practical results. The volume of trade between Bulgaria and the developing countries tripled during the 1970s. In the years since the seventh special session of the General Assembly, its average annual growth rate has reached 17 per cent, while imports coming from those countries have increased considerably.

47. Furthermore, the technical and financial assistance that Bulgaria has provided is fully in keeping with the purposes of development and the principles of mutual economic co-operation. The total value of that financial assistance has passed \$1 billion; approximately one third of that amount, stretched over two United Nations Development Decades, has been provided since the seventh special session.

48. Today, more than 4,000 young specialists from African, Latin American and Asian countries have received training in the People's Republic of Bulgaria. The amount allocated for their education exceeds \$100 million. On the other hand, 5,600 highly qualified Bulgarian experts are at work in many developing countries. More than 80 industrial enterprises have been built or are now being constructed in those countries with the participation of Bulgarian companies.

49. While developing mutual co-operation on a complex and durable basis, Bulgaria offers its experience to developing countries for the broadening of certain branches of their economies, at the same time guaranteeing advantageous openings for sales and the export of some of their products.

50. My country's five-year development plans take into account the promotion of international economic co-operation with the developing countries, while the structures of production and national consumption are being gradually adjusted to the new possibilities now open to us. This is, of course, a two-way process that presupposes reciprocal adjustments by our partners.

51. The data we have provided here indicate that within the framework of its limited economic potential, the People's Republic of Bulgaria has exerted a considerable impact upon development. That genuine co-operation, far from being empty debate, is truly a manifestation of the democratic principles that are fundamental to the relations of the People's Republic of Bulgaria with the developing countries. Resources are being allocated to these ends by the Bulgarian people even though our national economic potential is limited and the needs of our own development are keenly felt.

52. Guided by socialist internationalism and respect for the principles of national sovereignty, non-interference in internal affairs, mutual advantage and friendly assistance, all the members of the Council for Mutual Economic Assistance give disinterested assistance on both a bilateral and a multilateral basis.

53. The dimensions and volume of the economic, scientific and technological assistance provided to developing countries increase daily, and go hand in hand with the growth in the number of developing countries which establish lasting ties with the countries of the Council for Mutual Economic Assistance.

54. The People's Republic of Bulgaria is actively engaged, in so far as it is able, in the broad range of United Nations efforts to solve the main problems of international economic co-operation, including those of the international development strategy for the third United Nations development decade.

55. As a programme of action which must include political, economic and social aspects, the new international strategy must, above all, in our view, contribute to the elimination of neo-colonialism, interference in the affairs of others, *apartheid*, racial discrimination, and the use of force, which are the main obstacles to the economic liberation and social progress of developing countries. The strategy must be part of the efforts to eliminate discrimination and protectionism in international trade, including discrimination and protectionism in relations between countries having different social systems, and to banish all traces of *diktat* and exploitation from international relations.

56. In my delegation's view, the strategy must take full account of historical realities by identifying those who are really responsible for the economic difficulties still being faced by the developing countries. Thus the strategy must take into account the existence not only of two opposing socio-economic systems, but also of two basically different methods of building economic relations with the developing countries.

57. I wish to stress the major importance of basing the new strategy on the need for a multi-faceted, harmonious and co-ordinated approach to all aspects of the problems of development and co-operation. Moreover, as correctly stressed in the Secretary-General's report [A/S-11/5], experience has shown the ineffectiveness of partial or stop-gap palliatives, including those governing monetary and financial relations within the framework of the capitalist world economic order. That is why the strategy must give expression to the objective need for a thorough restructuring of the entire system of international economic relations. It should, in addition,

contribute to implementing large-scale socio-economic changes capable of strengthening the positions of the public and co-operative sectors in the developing countries, and develop in a balanced way their full economic potential, fostering co-operation in the field of planning, and of creating and consolidating their own scientific and economic potential.

58. With regard to the question of global negotiations, our approach is determined by the view that those negotiations could very well be an important element within the general framework of efforts under way to establish international economic relations on fair and democratic foundations, in conformity with the progressive principles enunciated in the Declaration of The Programme of Action for the Establishment of a New International Economic Order [*General Assembly resolutions 3201 (S-VI) and 3202 (S-VI)*] and in the Charter of Economic Rights and Duties of States [*resolution 3281 (XXIX)*]. That is why we support in principle proposals that such negotiations be held. My country's specific decision concerning its participation will naturally be taken in the light of the agreement reached concerning the procedure and the agenda for the negotiations.

59. In conclusion, let me assure you once again that the People's Republic of Bulgaria will continue to lend its support to the just aspirations of developing countries for a restructuring of international economic relations based on principles of democracy and equality. This policy of principle was recently reaffirmed by the President of the State Council of the People's Republic of Bulgaria, Todor Zhivkov, who stated that

"We support and shall continue to support the developing countries and their peoples in their historic efforts to overcome their underdevelopment and solve the complex problems interrelated with their development. This is assistance on the part of friends, allies and comrades-in-arms in the common struggle against imperialism, colonialism and neo-colonialism."

60. Mr. WAKIL (Afghanistan): I am very pleased to have this opportunity to address the eleventh special session of the General Assembly, on the agenda of which we see very important and urgent problems. But may I, first of all, on behalf of the delegation of the Democratic Republic of Afghanistan, extend to Ambassador Salim of the United Republic of Tanzania our warm congratulations on his election as President. It is indeed fortunate, particularly at this crucial time, that a man of his experience and abilities should be guiding the work of this very important special session.

61. There is a clear logic to having combined three questions into one item on our agenda: Assessment of the progress made in the establishment of the new international economic order, new international development strategy for the 1980s, and Global negotiations relating to international economic co-operation for development. These three questions are not only inter-related but are important elements of a single problem of global character which has retained its keen timeliness for many years now, namely the problem of restructuring existing international economic relations on principles of equality and democracy and the establishment within its context of the New International Economic Order.

62. Today nobody dares to dispute the evident fact that the existing international economic relations are of unjust character, as they meet only the selfish interests of a relatively small group of imperialist States and their monopolies. This fact has its historical explanations: the international economic relations which still prevail were

formed during the epoch of complete domination by imperialism, when more than 100 States which have now taken the path of independent development were colonies or were under the yoke of dependence. It goes without saying that the system maintaining these relations is nowadays in irreconcilable contradiction with the vital interests of the vast majority of countries and with the development of the general international situation. The main evil of this system of relations lies in the fact that, though having been maintained in a form different from that of past colonial and neo-colonial exploitation, it still dooms the overwhelming majority of developing countries to the status of backward raw-material-supply appendages of developed industrial States of the West; it impedes the mobilization of their internal resources, and the so-called assistance rendered to them by the imperialist States leads to their further enslavement, and to a widening of the gap between them and industrial developed States.

63. In this connexion, the elimination of the main obstacles to economic liberation and the development of developing countries is of paramount significance. At the latest basic meetings of developing and non-aligned countries—the Fourth Ministerial Meeting of the Group of 77, held at Arusha from 12 to 16 February 1979, the Sixth Conference of Heads of State or Government of Non-Aligned Countries, held at Havana from 3 to 9 September 1979, and so forth—these obstacles became absolutely clear. They are imperialism, colonialism, neo-colonialism, *apartheid*, racism—including zionism—foreign aggression and occupation, dependence, subjugation, and all other types of discrimination, coercion, interference, domination and exploitation. The Government of the Democratic Republic of Afghanistan joins fully in the call of the aforementioned bodies for the immediate liquidation of all these evils if we are to achieve appreciable results on the road to the complete political and economic liberation of the developing countries.

64. The poor and inadequate results of the development of the developing countries during the past decade also strengthen us in this conclusion. Undertaken at a number of the authoritative international conferences held recently—such as the fifth session of UNCTAD, the Third General Conference of UNIDO, the Sixth Conference of Heads of State or Government of Non-Aligned Countries held at Havana—the review and appraisal of the state of the world economy and of international economic relations once again confirms the fact that the developing countries continue to be severely exploited by imperialist States and their monopolies.

65. Moreover, the events of the 1970s have shown that the monopolistic circles of the West have been solving their economic difficulties, which arose in connexion with a recurring cyclic crisis and which hit the capitalist economy to a considerable extent, by increasing their exploitation of the developing countries. Then, the redistribution of the gross national product of the industrial developed countries of the capitalist world, which has been carried out through international trade, has been characterized by the wide spread of protectionism and by various restrictions, as well as by an increase in the transfer of profit on invested capital and a rise in payments for the transfer of technology. This has also been carried out through appropriation of surplus value in the sphere of production and by neo-colonial exploitation of the labour of the developing countries.

66. This redistribution means that the developing countries continue to sustain annual economic losses

amounting, according to some estimates, to as much as \$70 to \$100 billion. As a result, not merely has the economic situation of the majority of developing countries not improved, but it has deteriorated still further. The gap in the levels of economic development between them and the developed countries has widened. The indebtedness of the third-world countries to the West had, by the end of 1979, reached a level of about \$350 or \$400 billion. At the same time, the volume of official assistance rendered to them by developed capitalist countries is still far away even from the target fixed for the Second United Nations Development Decade, amounting to only about 0.3 per cent of those countries' gross national product.

67. During the past decade, the situation of the least developed countries has become even worse. The real *per capita* gross product in these countries grew at an even lower rate than it had grown in the 1960s; in a quarter of these countries, it even fell during the 1970s. An analysis of the steps taken in accordance with relevant decisions of the General Assembly, of UNCTAD and of other agencies of the United Nations system, which provide for social and economic measures to satisfy the specific needs of the least developed and land-locked countries, shows that real progress has not been achieved.

68. The obligation of the international community to render all possible effective assistance to the least developed countries is still a dead letter. Having acknowledged in words the necessity of implementing fully the substantial new programme of action for the least developed countries adopted by UNCTAD,¹ the West did not lift a finger to act on it. We are convinced that this eleventh special session should adopt a special decision on this question so as to accelerate the implementation of that programme. We also hope that the United Nations Conference on the Least Developed Countries planned for 1981 will give United Nations activities a new impulse for the solution of the complicated and difficult problems of those countries. It should, in particular, elaborate urgent measures for the solution of the structural and other problems before them.

69. Such are the facts of recent years in the sphere of international economic relations. They clearly show who is responsible for the undeniable failure in the implementation of the progressive decisions of the General Assembly on the restructuring of international economic relations on a democratic, equitable basis and on the establishment of a new international economic order, decisions adopted only six years ago at the sixth and seventh special sessions and reaffirmed at the twenty-ninth session of the General Assembly when the Charter of Economic Rights and Duties of States was approved as resolution 3281 (XXIX).

70. It is due to the resistance of the imperialist States that we have not until now had tenable results in the establishment of the New International Economic Order, for those States are trying to preserve the *status quo* in the sphere of international economic relations, a *status quo* based on domination, dependence and exploitation.

71. Afghanistan is among the least developed countries and is, besides, land-locked. The lack of territorial access to the sea—aggravated by the great distances to

¹See *Proceedings of the United Nations Conference on Trade and Development, Fifth Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A, resolution 122(V).

seaports, by remoteness and isolation from the world markets and by the increasing difficulties and costs of international transport services—impedes our foreign trade and causes serious constraints on our economic and social development in general. Our difficulties often include inadequate physical facilities along the transit routes and in the seaports, delays and uncertainties in transit and transport operations, and complications related to the commercial and legal aspects of moving goods through foreign territory. Our situation as a landlocked country has been aggravated for some time by the attitude of some neighbouring countries.

72. Like other developing countries, our country is also being exploited through the existing unjust international trade and monetary and financial mechanisms. We suffer big losses because of unfavourable terms of trade, various restrictions, protectionism, and the continuous exploitative policies of transnational corporations aimed at artificially bringing down the prices of raw materials and unjustly inflating the prices of manufactured goods.

73. The April revolution which took place in Afghanistan two years ago, was a national democratic uprising which toppled the pro-imperialist semi-feudal régime. The aim of the revolution was to carry out general democratic revolutionary changes, that is the elimination of all feudal and pre-feudal remnants in social and national relationships, the distribution of land among landless peasants and agricultural workers, the development of the national economy, the raising of the standard of living of the people, the expansion of education and the gradual abolition of illiteracy, democratic solutions to the problems of the nationalities, the democratization of social and political life in the country, and the elimination of the influence and all the manifestations of colonialism and imperialism.

74. The implementation of land reform, as a result of which some 300,000 landless peasants received land, was an important achievement in the social economic sphere.

75. Despite a legacy which impedes us and despite difficulties and complications, positive advances in the sphere of the country's economy have become possible through the heroic efforts of our people and thanks to the great disinterested assistance of the Soviet Union and other countries of the socialist community.

76. During the relatively short period of the second phase of the revolution, our people have scored some outstanding political achievements. One of the most formidable successes of the second phase of the April revolution was the adoption by the Revolutionary Council of the Fundamental Principles of the Democratic Republic of Afghanistan. These Fundamental Principles constitute the political, social and economic pillars of our social and economic system.

77. In carrying out these profound revolutionary changes, the People's Democratic Party of Afghanistan took into account the historical and deeply respected characteristics of the evolution of Afghan society as well as the deep-rooted religious beliefs of our people and the varying traditions of different nationalities and tribes.

78. For some time now, the Democratic Republic of Afghanistan has been the object of especially discriminatory and unjust policies of some international and regional organizations, which have not only distorted the humane objectives of the April revolution, but have also brought outright pressure and economic restrictions to bear against our country. The attempts in

imperialist quarters to use official development assistance as an instrument of political pressure constitute a violation of the principles of international economic cooperation and are a blatant departure from the letter and spirit of the relevant General Assembly resolutions on the establishment of a new international economic order directed towards removing inequalities and imbalances in international economic relations that adversely affect world peace and security.

79. The Democratic Republic of Afghanistan serves as a vivid example of a developing country which has chosen the path of freedom and independent development, and which suffers from increasing political and economic pressure exerted by international imperialists, hegemonists and world reactionary circles. For example, the suspension of food aid to Afghanistan can only be called monstrous; it was an unprecedented case in which a small and least developed country was deprived of food for political reasons.

80. We believe that our people will be able to overcome their socio-economic problems only if peace prevails. As stated many times by the leaders of the Democratic Republic of Afghanistan and as contained in the policy statement proclaimed by Babrak Karmal, General Secretary of the Central Committee of the People's Democratic Party of Afghanistan, President of the Revolutionary Council and Prime Minister of the Democratic Republic of Afghanistan, our people want to live in peace and security in the region. The establishment and maintenance of peace and security in our part of the world would respond to the interests of every country and would provide the peoples of the region with the opportunity to work for their well being and prosperity.

81. The problems of restructuring international economic relations and establishing a New International Economic Order are extremely urgent, and their solution should not be delayed. We agree with the fact that global negotiations on the most important questions of modern international economic relations could promote the solution of the main problems which cause disagreement. But we are aware of the fact, which has been brought out in the numerous negotiations conducted within the framework of the United Nations and other organizations, that if the West continues with its obstructionist policy, the negotiations, no matter what they are called, will be doomed in advance to failure. Nevertheless, we support the adoption by this special session of the General Assembly of a formal decision to begin global negotiations.

82. With respect to the approval of the new international development strategy for the 1980s, we are deeply convinced that it will be of real benefit only if it is based on the progressive provisions of the Declaration and the Programme of Action on the Establishment of a New International Economic Order [*General Assembly resolutions 3201 (S-VI) and 3202 (S-VI)*] as well as the Charter of Economic Rights and Duties of States, and if its primary mission is the implementation of one of the most important global problems, that is, the restructuring of international relations on an equitable, just and democratic basis. It goes without saying that the international development strategy should confirm the principles of respect for sovereignty, justice, equality, mutual benefit, non-interference and the inherent right of developing countries to unlimited use of their own natural resources, including their right of nationalization and complete control over the activities of transnational corporations and other foreign monopolies.

83. Of course the development of the developing countries is the responsibility first and foremost of those States themselves. It is our firm belief that it is possible to achieve a rapid and effective solution of development problems only on the basis of the maximum mobilization of a country's own internal resources by implementing progressive reforms in the social and economic sphere, including the development of States, the liquidation of feudal land ownership, the development of the national economy on planning principles, the acceleration of industrialization, the establishment of a developed infrastructure, the broad involvement of women in the solution of development problems, and so forth.

84. Special attention should be paid in the international development strategy to the desperate economic situation of the least developed countries, to satisfying their special needs and to solving their urgent problems. It is necessary to formulate special effective measures to eliminate the main obstacles in the way of their economic development and, in particular, their industrial development. Concrete measures should be provided, in particular, for assistance to those countries in the short term in dealing with economic backwardness, strengthening their sovereignty in the field of development and establishing relevant preconditions for stabilized economic growth. Any international measures in that direction should take into account the priority of national plans for development in those countries. And, of course, the international development strategy must anticipate the necessary increase in the transfer of real resources, especially to the least developed countries.

85. We should like to emphasize our conviction that the main purpose of any economic development should be to improve the well-being and living conditions of the toiling masses. The problem of the just distribution of national income and the reduction of economic and social inequality in different sections of the population is the paramount problem of modern life, especially in developing countries.

86. There is no doubt that the international development strategy should pay considerable attention to developing and expanding economic, scientific and technical co-operation among developing countries as an important factor in accelerating social and economic development and consolidating the independence of those countries. The special conferences that have taken place on these problems in recent months have not only revealed new possibilities in this field but have also provided further measures to facilitate this process. I have in mind the Buenos Aires Programme of Action for Promoting and Implementing Technical Co-operation among Developing Countries, the Lima Declaration and Plan of Action on Industrial Development and Co-operation, and other initiatives on international co-operation for development. The implementation of those recommendations would considerably promote the development of economic, scientific, technical, industrial and other co-operation in developing countries.

87. The primary task, in our opinion, is to formulate priority programmes for economic, scientific and technical co-operation on national and regional levels in the field of orientation and the mutual use of practical experience of the planned development of the economy, science and technology, and to carry out the progressive principles for such co-operation between the developing countries; to establish new equitable relations among them on a bilateral and multilateral basis in the most important branches of development, in particular industrialization, energy resources, transport, agricultural production and the training of national cadres. No less

important is the task of formulating measures for the elimination of any discrimination in economic relations, the elimination of protectionism, the reduction of the "brain drain" from developing countries, and the elimination of the negative consequences of the activities of transnational corporations and neocolonialist and imperialist interference.

88. The course taken by the work of the Preparatory Committee for the New International Development Strategy for the 1980s has shown that the imperialist Powers have not ceased their attempts to give a false direction to the efforts of the developing countries in the field of economic development. They continue to try to include in the international development strategy such concepts as "global interdependence", "basic needs" and so forth, which have already been repeatedly rejected by the Group of 77. All those attempts are directed at preserving the *status quo* in international economic relations and diverting the efforts of the developing countries from the urgent problems of economic development and the achievement of their complete political and economic independence.

89. Decisions adopted at many sessions of the General Assembly have stressed the close interrelationship of social and economic development and questions relating to the struggle for peace, the further deepening of détente, the curbing of the arms race, and the implementation of real disarmament. It is crystal clear that the solution of the aforementioned political problems has great significance for securing further social and economic progress in the world, the solution of the development problems of developing countries, the normalization and expansion of trade, and economic co-operation on a mutually beneficial and equitable basis.

Mr. Salim (United Republic of Tanzania) resumed the Chair.

90. In a world where every year millions of people die of hunger, are undernourished and suffer from various diseases, the waste of capital and resources on the arms race—which now devours nearly \$500 billion a year—is a crime. The cessation of the arms race and the implementation of practical measures in the field of disarmament are of paramount importance, not only to ensure the peace and security of peoples all over the world, but also for the acceleration of the social and economic progress of all countries, and first of all the developing countries. It should be evident to everyone that the more resources spent on the arms race the less remain for purposes of development. Nowadays ever more unsolved problems in the field of international economic policy are due to the unsettled problems of disarmament.

91. Under consideration in the General Assembly are some proposals for the reduction of the military budgets of States permanent members of the Security Council and States with large economic and military potential, and of the transfer to developing countries of a specific percentage of the resources thus released. We are of the opinion that that method of substantially increasing the transfer of real resources to developing countries is worthy of encouragement. At the same time we state with regret that the numerous proposals for the reduction of the arms race still remain unfulfilled—and, again, because of the obstructionist position of the main imperialist States.

92. The delegation of the Democratic Republic of Afghanistan is sure that the present special session can become an important stage in the struggle for the restructuring of international economic relations on an equitable and democratic basis—naturally, on condition that all States Members of the United Nations show the

necessary political will. But six years' experience of intense efforts to implement the decisions of the sixth and seventh special sessions of the General Assembly on the establishment of the New International Economic Order makes us cautious not to nourish great expectations, and to be aware of the fact that it is possible to achieve the solution of this present global problem only by breaking the resistance of the imperialist circles. For this purpose the developing countries should unite with all the progressive forces of the world and wage a decisive, persistent struggle against the policy neo-colonialism in the economic sphere.

93. The PRESIDENT: In accordance with decision S-11/22 taken by the General Assembly at its 1st plenary meeting, I call on the Director-General of the Food and Agriculture Organization of the United Nations, Mr. Edouard Saouma.

94. Mr. SAOUMA (Food and Agriculture Organization) (*interpretation from French*): The art of statesmanship may be defined in part as the reconciling of incompatible pressures. I believe that the nations of the world will be able, at this special session, collectively to show mastery of that art. Only thus can the problems of the global economy be tackled serenely, with determination and, above all, rationally.

95. It is paradoxical that among these problems agriculture looms larger now than it did 10 years ago. Why paradoxically? Because agriculture is a traditional pursuit, and the way to development could be expected to run along other paths and through other sectors. Yet it is clearer with every passing year that, for most countries, a satisfactory agricultural performance is a precondition for development in a wider sense. And surely no nation can be considered truly independent if it is unable to produce or to buy the food supplies needed by its people.

96. The causes of agricultural weakness are known. The diagnosis can be found in a thousand official documents and in a thousand textbooks. The prescription, the set of national and international measures which together make up the remedy, is also in very large measure beyond controversy. Indeed, the text on policy measures for food and agriculture contained in the draft of the new international development strategy [see A/S-11/2 (Part III), annex, paras. 79-93] represents the distillation of current thinking on what needs to be done.

97. A detailed analysis of the measures required, and some tentative estimates of their cost are contained in the provisional text of the FAO study "Agriculture: Toward 2000",² which is available to delegations on request. Agriculture must evolve high-productivity farming, which is also labour-intensive. The widespread adoption of modern farming systems implies many things: an enormous increase in both capital and current expenditures for agriculture; a massive effort in training and the development of rural institutions; and the establishment of price incentives for production, even if this means that the towns must pay more for their food. If the general growth of incomes does not, by itself, enable the poor to buy the food they need, special measures will be required, including income redistribution. On certain assumptions spelled out in the document, we estimate that, as compared with current levels, domestic investment in agriculture by the developing countries will need to double over the next 20 years, part of the

necessary resources coming from outside the sector. From a level of \$4.3 billion in 1977, external assistance to agriculture should treble in real terms by 1990 and quadruple by the year 2000.

98. Some of our estimates may be open to discussion, but everybody agrees on the broad lines of the necessary action. Why, then, is the situation in some respects getting worse, not better? The answer, unfortunately, must be that—in many ways and for many Governments—the cure is more painful than the disease, at least over the short term. For developed nations, awareness of chronic malnutrition in the poorest countries is deeply disturbing; but, for many of them, less so than the prospect of a major increase in their aid budgets. The developing nations themselves have, in too many cases, accepted a growing dependence on food aid and commercial food imports, and even a decline in nutritional standards. And why? In order to devote resources to projects of national pride or passing attraction, bringing little tangible benefit for the totality of the population, instead of concentrating on the strengthening of the agricultural sector on which depends the very survival of the nation.

99. Where does this lead? That can be summarized in a few heart-rending facts. In the course of the 1970s, population growth outpaced agricultural growth, and *per capita* production has thus declined, in no less than 61 developing countries. In 15 of those it has declined in absolute terms: 15 countries were producing less in 1979 than they were in 1970.

100. At the same time, the dependence of the developing countries on food imports has increased dramatically. Their total imports of cereals in 1970 were 43 million tons, of which 30 per cent consisted of food aid. The latest FAO estimate for 1980 is that their imports will reach 88 million tons, of which only about 11 per cent will be in the form of food aid. Food imports have thus doubled while food aid has declined. Is it any wonder then that so many developing countries face an economic crisis?

101. The structural difficulties of agriculture are more and more being compounded by natural or man-made disasters. An unparalleled number of countries are right now facing serious national food shortages which in some cases run the risk of localized famine. I have recently appealed to the donor community for a special effort in favour of African countries, where a vast area has been affected by drought.

102. Even without the impact of these disasters, African agriculture faces extraordinary problems. In many countries, the very large traditional sector is neither geared nor able to produce the surplus necessary to feed the towns. The modern sector is too small and too weak to respond adequately. Indeed, *per capita* food production in Africa has declined by more than 10 per cent in a decade. Food is therefore being imported on a large scale, particularly to feed the rapidly growing urban populations. But imports are largely of wheat, a crop which cannot be grown in most parts of Africa for climatic reasons. As the townspeople acquire a taste for bread they no longer wish to do without it, so the country as a whole falls into an ever greater dependence on external supplies of wheat from a small number of developed countries.

103. Yet I do not wish to paint a picture of the 1970s in sombre colours only. A number of developing countries, including some of the largest, have turned in an impressive performance that could hardly have been forecast 10 years ago. The overall agricultural growth rate of the developing nations, which dropped below that of the 1960s in the first part of the decade, has since

²See Food and Agriculture Organization document C 79/24 of July 1979.

picked up. Between 1974 and 1979, the figure for all developing countries was 3.1 per cent, or very slightly above that of the 1960s even though still a long way below the target of 4 per cent.

104. Against this background, the action of the special session of the General Assembly, representing a political consensus at the highest level, can be of inestimable value. The overriding importance of this special session must derive not so much from the texts that it may adopt as from the impetus that it should give to their implementation. What the world needs more than anything else is the translation into effective action of the concepts, targets and programmes agreed upon in international forums.

105. The text on food and agriculture proposed for inclusion in the new international development strategy presents, in my view, an admirable starting point for a major new attack on the problems of the sector. It builds on the conclusions reached in the World Food Conference held in Rome from 5 to 16 November 1974 and the World Conference on Agrarian Reform and Rural Development held in Rome from 12 to 20 July 1979. It recommends, in particular, valid measures for increasing production, world food security, investment, food aid, rural development and institutional reform.

106. Some of these measures will be effective only over the longer term but others are urgent and important for meeting immediate problems. I should mention, in particular, the urgency of converting the International Emergency Food Reserve into a convention with wide participation of both traditional and new donors for dealing with emergency situations. Also of some immediate relevance is the proposal to be considered by the International Monetary Fund for a special facility to help low-income food-deficit countries to cope with the rise in their food import bills.

107. The global negotiations will provide a political mechanism for keeping up the pressure for action in this and other sectors. We trust that, in its final decision, the General Assembly will place food and agriculture high on the agenda of the negotiations. For our part, we shall be glad to provide the substantive support required at the secretariat level when the negotiating body takes up this item.

108. It is a truth no less important for being often repeated that agricultural measures alone cannot solve the world's food problem. A major increase in aid to agriculture can hardly be expected to take place unless official development assistance as a whole rises towards the internationally agreed target. The contribution of agriculture to development cannot be realized without improved openings for trade. Undernourishment is a symptom of poverty, and it can hardly be solved without an increase in the purchasing power of the poor. Virtually all sections of the strategy, all subjects on the agenda for the global negotiations, are bound together and interdependent.

109. We in FAO have done our utmost to contribute to the success of this occasion. In November 1979, the FAO Conference conducted a major substantive debate under an agenda item on preparations for the special session of the General Assembly and the new international development strategy. The findings of the Conference have been formally transmitted to this session [see A/S-11/6, annex, pp. 110-113] and the FAO secretariat documents are available to delegations.

110. We are ready to play an equally constructive role in the process of review and appraisal. For this, we have certain instruments ready to hand. The FAO Confer-

ence some years ago summarized internationally agreed policies in the field of food and agriculture. This took the form of what we call guidelines for international agricultural adjustment. These guidelines, which are systematically monitored, will be updated next year so as to incorporate and spell out the additional elements contained in the new international development strategy.

111. The Programme of Action of the World Conference on Agrarian Reform and Rural Development³ also contains a built-in system of benchmarks and monitoring, to be carried out by Governments themselves, of progress achieved.

112. We shall thus, not just at the secretariat level, but more particularly throughout our intergovernmental bodies, be in a position to undertake comprehensive reviews of progress in carrying out the agricultural section of the new strategy. Such undertakings can, of course, be organized within the system-wide process of review and appraisal, which is to form an integral part of the strategy itself.

113. Progress in the implementation of the strategy is, in a broad sense, progress towards the achievement of a new international economic order. At the beginning of my statement, I stressed that, for most countries, success in agriculture is virtually a precondition for satisfactory development as a whole. We can therefore say that, without a new international food order, there can be little hope of reaching that wider goal towards which the developing nations so ardently aspire.

114. I hope that I have clearly expressed myself on the importance of the new strategy and the global negotiations and how important they are for agriculture, food and the work of FAO.

115. The Secretary of State of the United States, Mr. Edmund Muskie, has spoken of the spectre of imminent famine haunting Africa [see 2nd meeting, paras. 93-137]. My own remarks today clearly demonstrate that we fully share this concern. The United States Secretary of State has referred to the efforts that we in FAO are making to increase and co-ordinate relief assistance to the drought-stricken countries.

116. I thank the United States Government for the positive attitude it has taken in providing food relief. I also hail the efforts made by other donors. But the gravity of the situation demands efforts on a much larger scale. That is why before my departure from Rome I initiated certain arrangements for the convening of a meeting on emergency food supply for Africa. This meeting will be held in Rome on 19 September 1980 and invitations have been sent to interested Governments and organizations. I should like to take this opportunity to express the hope that every traditional donor and any potential donor Government will participate in this meeting and thus help substantially to increase assistance to avert famine and hunger.

117. The situation in Africa, Asia, and other regions of the developing world afflicted by food emergencies, highlights the importance of guaranteed resources to be made available and to be placed at the disposal of the International Emergency Food Reserve, to which I referred earlier. It was the General Assembly at its seventh special session which established this Reserve with a yearly target of half a million tons of food grains [see

³See *Report of the World Conference on Agrarian Reform and Rural Development, 12-20 July 1979 (WCARRD/REP)*; transmitted to the members of the General Assembly by a note of the Secretary-General (A/34/485).

General Assembly resolution 3362 (S-VII), sect. V, para. 12]. I hope that this eleventh special session will take the initiative to ensure that the target is reached, to convert this voluntary reserve into a legally binding commitment, and to provide for the expansion of its resources in the future.

118. While efforts in the developing countries are under way to accelerate domestic food production, the international community must meanwhile respond to the challenge of hunger by increasing food aid under the Food Aid Convention to 10 million tons from its present commitment of 7.6 million tons, without waiting for further negotiations. I also urge the extension of the Convention to a minimum period of three years, independently of the ongoing negotiations on the international grains agreement.

119. The FAO study of the future prospects of world food and agriculture concludes that, if present trends continue, the food imports of the developing countries will quadruple by the end of the century. Furthermore, if mounting needs remain unmet, the number of undernourished people in the world—already unconscionably large—will grow still higher. The proposals I have suggested would, if accepted, contribute to the alleviation of the grim consequences which otherwise lie ahead.

120. I hope that this session of the General Assembly will demonstrate to the world that the United Nations can respond to the challenge of world hunger with concrete and urgent measures.

121. It only remains for me to wish you, Mr. President, and the special session every success in meeting the hopes of an anxious world.

122. Mr. VEJVODA (Czechoslovakia): Sir, we are happy to see you, an outstanding political personality and a distinguished diplomat of the United Republic of Tanzania, in the high post of President of the eleventh special session of the General Assembly. I wish you and the Secretary-General, Mr. Kurt Waldheim, much success in the performance of your demanding tasks.

123. We are meeting once more after several years to deal with international economic problems. We all know how very inspiring and significant were the previous sessions, particularly the sixth special session, which adopted resolutions 3201 (S-VI) and 3202 (S-VI), the Declaration of the Programme of Action on the Establishment of a New International Economic Order. Those documents, as well as the Charter of Economic Rights and Duties of States [*resolution 3281 (XXIX)*], represent a sound basis for the development of international economic relations on new and just principles. They have also served as a guideline for the activities developed in recent years in the economic field by the United Nations and its bodies.

124. However, in spite of some progress in some areas, the majority of progressive measures and recommendations, as well as the process of restructuring international economic relations, are being implemented very slowly and with notable political and economic difficulties. These measures do not always meet with support and understanding, a readiness to develop mutually advantageous trade and economic co-operation, and a will to accelerate the economic development of developing countries. On the contrary, imperialist circles and international monopolies of some Western States show a tendency to maintain neo-colonialist exploitation, to apply new forms and methods thereof, to interfere in the internal affairs of other countries, to impose their will on other States, taking advantage of their economic difficulties, to misuse trade and economic relations for political and military purposes, to make trade condi-

tional upon political concessions, and to apply restrictions of a discriminatory and protectionist nature. In such conditions, it is not easy for any country, particularly a developing country, to develop its economy successfully, among other ways, through its external economic relations. The implementation of the New International Economic Order is thus very complicated.

125. The efforts aimed at détente and at strengthening peace and security, which have in the past had positive results and are an indispensable prerequisite for the successful solution of international economic problems and for the implementation of ambitious development plans, and the efforts which have made it possible to devote much more attention to problems of economic and social development and have led to the convening of the past and present special sessions on economic problems have recently been seriously undermined by the imperialist circles of some Western countries. As has been stressed in the recent declaration of the States parties to the Warsaw Treaty [*see A/35/237-S/13948, annex II*], those circles infringe upon the independence and sovereignty of other States and, what is more, in their international relations even use force or the threat of force against developing countries, particularly where sources of energy and raw materials are involved. This is a destabilizing factor and it leads to new hot-beds of tension. New obstacles arise in the way of restructuring international economic relations on an equal and just basis.

126. None of us can dispute the close relationship between peace—this highest of all human values—equal co-operation and economic development. Those are the constants of our policy, the policy of peace pursued by the countries of the socialist community. We are fully aware of the fact that the right of peoples to independent economic development, full sovereignty over their natural and economic resources and improvement of their living standards can be guaranteed only in conditions of peaceful coexistence between States with different social systems, active security and broad international co-operation.

127. The halting of the arms race and the implementation of disarmament measures would create favourable conditions not only for the strengthening of international peace and security, but also for economic and social development and the speedy overcoming of the existing problems, ranging from the search for new sources of energy to the fight against serious diseases. Social and economic factors are thus among the main criteria governing the socialist countries' approach to negotiations on disarmament. Let us recall, as an example, the proposals submitted by the USSR and supported by other countries of the socialist community providing for a reduction of the military budgets of the permanent members of the Security Council and of other militarily strong countries and utilizing the funds thus saved for economic assistance to developing countries.

128. The unfavourable development of the world economy, particularly in recent years, has resulted in reduced economic growth and the proliferation of economic difficulties in various countries, particularly developing ones. The continuing trends towards depression in the capitalist economic system in the course of recent years have enhanced such negative phenomena as the growth of inflation, deepening problems in the balance of payments, the tremendous increase of indebtedness on the part of the developing countries, the spread of protectionism and discrimination, the continuing instability in the monetary rates of exchange and

raw material markets, the shortages of energy and food, the growing starvation in various parts of the world, and so on. The list of these negative phenomena of the present world economic situation is a long one. The existence of those phenomena in itself proves that the State monopoly regulative instruments and measures adopted at the national and international levels have failed and that the present system of international relations is not capable of ensuring stable economic development, particularly in developing countries.

129. The consequences of that situation appear everywhere, including in our own external economic relations with the Western States. There is no doubt but that the majority of the crisis phenomena to which I have referred, and which have a negative impact on the economy of the advanced capitalist countries themselves, affect the developing countries and influence the implementation of the Second United Nations Development Decade. Although in some basic areas—such as the growth of the gross national product, the total inflow of financial resources and, lastly, the growth of industrial output—the results are not far behind the targets set, we cannot be fully satisfied with the implementation of the aims of the Decade. As the Committee on economic planning says, there are notable differences in the results attained by individual developing countries. The countries with a low gross national product, comprising over 60 per cent of the developing world's population, have attained an increase of only 1.5 per cent *per capita*. They have not succeeded in sufficiently developing agricultural production, increasing exports, improving the utilization of modern technology, eliminating hunger, and so on. The developing countries have remained highly vulnerable to external economic factors and causes of instability.

130. It is quite evident that much better results might have been attained had all the progressive recommendations contained in the relevant United Nations resolutions been applied and a radical restructuring of international economic relations on equitable principles been substantially carried forward. We can only subscribe to the assertions of a number of developing countries that the main cause is a lack of political goodwill on the part of the advanced capitalist States, and their refusal to allow any significant changes in the present capitalist economic system, their inclination to promote and encourage infiltration of the economies of the developing countries by private foreign capital, and particularly by the transnational corporations.

131. Transnational corporations dominate a number of areas of production in the developing countries and the trade relating to them. They exploit the natural and human resources of those countries and interfere in their internal affairs. The activities of the transnational corporations are definitely not motivated by a desire to promote the economy and plans of economic development of the developing countries. We would be deceiving ourselves if we thought that they would let themselves be guided by goals other than their own advantage and the attainment of maximum profits. The direct transfer of these profits, combined with the system of mutual interrelations and interdependence of the transnational corporations and their restrictive practices, results in a massive outflow of financial resources from these countries, exceeding the volume of direct investments.

132. The Czechoslovak Socialist Republic, together with the other countries of the socialist community, strives for a restructuring of international economic relations on the basis of the principles of sovereignty,

equality, non-discrimination and mutual advantage. We support all efforts aimed at creating favourable conditions for the speedy economic development of all countries, particularly the developing ones, and at establishing ties of confidence and equal co-operation between countries with various economic and social systems in all fields of economic life. In the international sphere, we support the justified claims of the developing countries. We did so, for example, at the Third General Conference of the United Nations Industrial Development Organization held at New Delhi from 21 January to 9 February 1980. We actively contributed to the drawing up of the conclusions of that Conference at the last session of the Council for Industrial Development, held at Vienna in May 1980; the current Chairman of that organ is a representative of my country.

133. Guided by that spirit, we are ready to contribute actively to the drafting and implementation of the new international development strategy for the 1980s. If a long-term and stable development is to be ensured, if the strategy is to be carried out successfully and efficiently, it must necessarily take into account the interests of all States and genuinely promote the restructuring of international economic relations on a just and democratic basis, in accordance with the progressive recommendations of the Declaration on the Establishment of a New International Economic Order and of the Charter of Economic Rights and Duties of States. We are equally ready to contribute actively to the adoption of measures necessary for the immediate liquidation of the remnants of colonialism, neo-colonialism, *apartheid*, racial discrimination, interference in internal affairs, and all forms of aggression and hegemonism, which represent the main obstacles to the economic liberation and social progress of the developing countries. We shall continue actively to support the efforts of these countries for the liquidation of all forms of dictatorship and exploitation in international economic relations, for the effective control of the negative activities of monopolistic capital and transnational corporations.

134. However, we are convinced, and our experience has taught us, that no strategy—and this applies to the strategy for the 1980s as well—can bring any effective results if it does not go hand in hand with progressive changes and measures within the developing countries aimed at mobilizing internal resources, at carrying out social and economic changes and reforms in agriculture, industry and distribution of income, at promoting the development of an independent national economy, at strengthening sovereignty over natural resources and all economic activities. It is perfectly clear that external economic relations, including assistance, are but an element complementary to the efforts by the developing countries themselves, which are decisive for their economic development.

135. We are ready to share the experience we have gained in building up our economy and in our co-operation with other countries of the socialist community. The communiqué issued at the session of the Council for Mutual Economic Assistance (CMEA) held last June in Prague confirmed once more that through dedicated efforts and through deepening their mutual co-operation on principles of equality, mutual advantage and fraternal mutual assistance, the CMEA member States have been able to achieve a further increase of their economic, scientific and technical potential and to raise the material and cultural standards of their populations. In the period 1975 to 1979 their national income rose by 19 per cent and their industrial output by 23 per

cent, and the turnover of their mutual trade rose by 12.7 per cent in 1979 alone. At the same time, on the bilateral and multilateral levels, CMEA member States pay increased attention to the development of co-operation with and assistance to young States that have embarked on the road of socialist development and to other developing countries by helping them to accelerate their economic progress and to strengthen their political and economic independence. The CMEA session reaffirmed that Council's solidarity with the justified efforts of developing countries to attain complete economic independence and to liquidate inequalities and exploitation.

136. In the course of past years, Czechoslovakia has developed its co-operation with developing countries in a number of areas. We have concluded 160 long-term agreements on trade and economic and financial co-operation. In the course of the last two years alone we have concluded 20 agreements of that nature, having thus regulated our economic relations with new countries on a contractual basis. We have granted the developing countries preferential tariffs, reducing by 75 per cent customs rates on almost all their finished products. Raw materials and food products and imports from the least developed countries are completely tariff-free. Today, 104 developing countries are taking advantage of that measure, among them 21 least developed countries. In the period 1975 to 1979, imports from developing countries grew by 17.2 per cent, and our exports by 33 per cent; imports of finished products increased by 39 per cent in the same period. We have helped to build a number of industrial plants and other units important for the industrialization and economy of those countries. We are providing technical assistance to them, and in 1979 alone we dispatched to those countries 515 experts and 1,064 other specialists in connexion with deliveries of machinery. In the same year we trained 722 technicians in our country.

137. Together with other socialist countries, we have submitted a number of important proposals providing for the expansion of our co-operation with developing countries. We consider that to be our contribution to the third development decade. We are convinced that long-term co-operation on the basis of 10-year or 15-year agreements promoting industrialization and the increase of exports from developing countries is the best way to build up independent economies and to strengthen their independence. We are ready to contribute to the development of the public and co-operative sectors; to build industrial and power-generating plants; to promote mining and the processing of minerals; to grant assistance in the field of planning, in the development of trade, in economic, scientific and technical co-operation, including co-operation in industrial production; to assist in the training and education of their own specialists; to make greater use of bilateral consultations, especially through mixed intergovernmental commissions, and so on.

138. We are ready to expand and deepen such co-operation with the developing countries and to grant them assistance in accordance with our own possibilities and their own possibilities and wishes. However, one should not mechanically apply to countries of the socialist community economic models, indices and recommendations that are based on the practices of capitalist economic relations and not compatible with the fundamentally different character and specific features of the foreign trade relations of the socialist community. There are in today's world two contrasting economic and social systems carrying out two different types of

economic relations with developing countries. One should not, therefore, attribute to both of them equal responsibility for the economic state of the developing countries or for the present difficult situation of the world economy. The assistance which we are extending to their independent development, both in international forums and on the bilateral level, is essentially different from the exploitation by imperialist States and monopolies.

139. I should like once again to stress that we have a genuine interest in expanding equal and mutually advantageous co-operation with developing countries and other States. However, every coin has two sides. We must all, in a joint effort, pay due attention to our mutual relations and create the best conditions for their successful development. It is certainly not surprising that the deteriorating situation in international trade, the instability of markets and currencies, and the growth of protectionism and discrimination do not create the positive climate we speak about and do not have a positive impact on our external economic relations, specifically with the advanced capitalist countries, and that in their totality they also influence trade with the developing countries.

140. I can assure the Assembly that any constructive effort aimed at the normalization of international trade and at a fundamental restructuring of the system of international economic relations on principles of equity will meet with our active support. Guided by this approach, we take a positive view of the initiative of the developing countries proposing global negotiations in order rapidly to solve the problems of raw materials, energy, trade, development, currencies and finance. However, based on our experience so far, we are justifiably apprehensive as to whether the deliberations of a new organ will lead to better results than those achieved by other United Nations bodies that have been dealing with most of these issues. In our view the core of the problem lies not in the machinery of the negotiations but in the genuine wish of all countries to achieve effective progress. It lies in the political approach of the advanced capitalist countries to these problems, in the consistent struggle of the developing countries against neo-colonialism and exploitation in the economic sphere and, last but not least, in the very implementation of all the progressive measures we have agreed upon in the United Nations and which are contained in a number of resolutions and other documents.

141. When holding such global negotiations, as their name implies, we should not forget that the solutions that will be adopted here should be generally valid for relations among States with different social and economic systems and at various levels of economic development, and that they should therefore take into account the interests of all States and regulate those relations in a global manner, specifically in such areas as international trade, including problems such as protectionism and discrimination. Should those prerequisites not be fulfilled, should there be no due understanding and recognition of such fundamental factors of economic development as continued détente, the strengthening of international peace and security, the curbing of the arms race, and progress in the field of disarmament, it certainly would be most difficult to establish a new, equitable and effective system of international economic relations.

142. Mr. DIOP (Senegal) (*interpretation from French*): Mr. President, I want to say first of all how happy my delegation and I are to see you presiding over this important special session of the General Assembly,

the results of which will have a considerable impact on the future of the world.

143. I am convinced that, under your firm guidance and with the benefit of your long experience, our work will produce solutions most beneficial to the international community as a whole, and to the disinherited countries, in particular.

144. Next, I wish to join all those who, since 25 August, have expressed joy over the admission of the sister country of Zimbabwe to membership in the great family of the United Nations. That date of 25 August 1980 marks an important milestone in the history of Zimbabwe, whose people has time and again demonstrated not only courage and determination but a capacity for mobilization and organization, as well as political maturity. It now has to win the great battle for development, and we wish our brothers of Zimbabwe every success in this new struggle.

145. The adoption of the International Development Strategy for the Second United Nations Development Decade raised much hope in our countries, which had been subjected to absolute impoverishment. Despite the notoriously slow implementation of the Strategy, those hopes were strengthened by the decision of the international community to embark, towards the middle of the Decade, on the search for a new international economic order through the adoption of General Assembly resolutions 3201 (S-VI) and 3202 (S-VI).

146. Indeed, the international community had solemnly proclaimed its determination—and this was something on which countries of all economic and social systems were unanimous—to work for the urgent establishment of a new international economic order based on equity, sovereign equality, interdependence, shared interests and co-operation among all States. It outlined the objectives of correcting inequities and rectifying injustices so as to eliminate the growing gap between developed and developing countries and to ensure accelerated economic and social development for present and future generations.

147. Whatever became of those magnificent resolutions?

148. Numerous international meetings and conferences have taken place within the framework of the International Development Strategy, the Programme of Action on the Establishment of a New International Economic Order, or under the auspices of such apposite initiatives as the one which led to the Conference on International Economic Co-operation held at Paris from 30 May to 2 June 1977, better known as the beginning of the North-South dialogue.

149. Some of those conferences yielded what may be described as positive results, at the expense, very often, of major concessions on the part of developing countries, as in the case of the multilateral trade negotiations, the Conference on Restrictive Business Practices, or the United Nations Negotiating Conference on a Common Fund under the Integrated Programme for Commodities.

150. However, the others—the majority—were, unfortunately, a dismal failure, despite all the efforts and creative inspiration of the developing countries. Those were conferences dealing with the reform of the world economy for the establishment of a more just new international economic order. The reason for such failure can be traced to the lack of political will on the part of the developed countries, which has completely frustrated the efforts of the developing countries to

make tangible progress towards the goal of the new international economic order.

151. But whatever the results of all those international meetings and conferences, the fact remains that nothing fundamental has really changed in the plight of the developing countries. Indeed, despite all the commitments made by the rich countries 10 years ago, hunger and malnutrition continue, year after year, to kill an increasingly large percentage of the population of the third world, while, elsewhere, agricultural surpluses are destroyed in the name of the laws of marketing; sickness still deprives agriculture of millions, if not hundreds of millions, of labourers; the number of persons living in poverty has greatly increased during the Decade, from 700 million in 1970 to approximately 850 million today; and desertification is making dangerous progress, threatening the agricultural future of vast regions of the third world.

152. This situation is becoming more and more intolerable; it threatens to lead our whole world to destruction. Indeed, when three quarters of mankind cannot manage to satisfy even their most elementary needs, the ultimate explosion is not far off, as indicated by so many projections and studies.

153. We must acknowledge with regret the failure of nearly all the various attempts of the past decade because of the developed countries' failure to play the role that fell to them or to understand that the measures expected of them by the developing countries were essential elements for their own prosperity. Indeed, only respect for obligations and commitments freely entered into by both sides will make it possible to contain the evils which disgrace mankind, and to give the peoples of the third world reason to hope for a better future.

154. In Senegal, we believe that one of the most serious obstacles to a restructuring of the world economy is undoubtedly cultural contempt. It is cultural contempt which prevents the rich countries from perceiving the true dimensions of poverty in the third world, where the major daily concern of hundreds of millions of men and women is simply survival. It is cultural contempt which prevents the populations and leaders of the rich countries from making the necessary effort to understand that the misery which afflicts some 40 per cent of the population of the third world has nothing in common with the kind of poverty they know back home, which is due mainly to poor distribution of the national wealth. By placing these two so inherently different concepts in the same category and considering them as one and the same, they are led to apply the same remedies to both, thus missing the whole problem.

155. For all these reasons, we must once again give to culture the place which it deserves in the quest for a new international economic order. This is also why we say in Senegal that there can be no new international economic order without a new world cultural order. Only when every kind of cultural prejudice has disappeared will the developed countries make the necessary effort to do away with another important obstacle to the building of a juster world: I am referring to the resources for the financing of development, whose manifest insufficiency has thus far ruined all the development strategies of the third world countries.

156. To take the single example of the International Development Strategy for the Second United Nations Development Decade, let us recall that in order to achieve the objective of a 6 per cent growth in the gross national product (GNP) of the developing countries it was agreed that the net transfer of capital was to represent 1 per cent of the GNP of the rich countries, to be

divided in a balanced way between transfers under preferential conditions and transfers under commercial conditions.

157. Now at the end of the period we can see that the volume of official development assistance was small and even, that, in terms of percentage of GNP, it decreased and that consequently the needs for external capital have mainly been met by commercial loans, which in 1976 represented 66 per cent of net medium-term and long-term disbursements of capital to the developing countries. In other words, the distribution between capital transfers under preferential conditions and those under commercial conditions was the reverse of what had been decided on in the second International Development Strategy: 70 per cent in official development assistance and 30 per cent in commercial loans.

158. We believe that the inadequacy of official development assistance is due to the relative meagreness of the loans granted by the multilateral development institutions in the long-term transfers of financial resources to the developing countries. But it was also—and mainly—due to a faulty Western conception of assistance, which is still in many cases motivated by the need to guarantee access to raw materials and the desire to maintain or to create export markets.

159. Recourse to commercial loans under ever harder conditions has considerably increased the indebtedness of the third world, which at present represents an additional source of concern which we would gladly see behind us. Indeed, our debt burden has attained such proportions that it has tended to push our development problems into second place. We are thinking less and less of development and more and more of survival. This is one of the paradoxes of the last quarter of the twentieth century and it is one of the factors which clog the world economic system.

160. If we consider further that armament expenditures are now nearing \$1 million per minute—\$500 billion a year as against barely \$20 billion in official development assistance—then the adjective “scandalous” is not too strong to describe our present situation.

161. We can, then, legitimately raise the question to which we have come here to find an answer: what is to be done to save three quarters of the world's population from hunger and sickness and to protect their chances for a better way of life?

162. In the light of the experience of the last two United Nations Development Decades, it seems to us that the rich countries are generally not very willing to play the role which they have freely assigned themselves within the framework of meetings such as the one in which we are participating here.

163. This attitude is fraught with too many consequences for our people for us to invest in it any more of our capital of trust. This is why we, the developing countries, have decided to help ourselves by strengthening our co-operation, for it is a fact that we must first of all count on our own strengths before we appeal to those of others. The following should be placed within this framework: the many meetings on economic co-operation among developing countries, the meetings on co-operation among the Group of African, Caribbean and Pacific States and the economic summit of the Assembly of Heads of State and Government of the Organization of African Unity (OAU), under the presidency of Mr. Léopold Sédar Senghor, the President of Senegal.

164. I should like to dwell for a moment on that last meeting to say a word about the Lagos plan of action,

adopted at the end of the economic summit of the Assembly of Heads of State and Government of the OAU held at Lagos in April 1980.

165. The Lagos plan of action was drawn up in accordance with the guidelines adopted by the Assembly of Heads of State and Government of the OAU in 1979 at Monrovia aiming at national and collective self-reliance in the field of economic and social development. It includes a set of short-term, medium-term and long-term measures to be taken at the national, sub-regional and regional levels so as to meet the needs of economic, social and cultural development of Africa in various fields, such as food and agriculture, natural resources, the development and utilization of human resources, and so forth. These measures should make it possible to reverse the economic trends manifested during the last two decades and to achieve a collective, self-sustained and endogenous development in the African continent.

166. In the more specific area of food, the Lagos plan of action places great stress on self-sufficiency in food, thus translating into action the determination of African leaders to implement a strategy for ensuring the continent's security in food. Too many Africans are dying of hunger while enormous agricultural potential exists which needs only to be developed. We must, therefore greatly develop the agricultural production of Africa in order to save the African populations from hunger. To do this, we must struggle unceasingly against desertification, which portends danger for the agricultural future of Africa.

167. Indeed, it is estimated that in 17 years the desert will have advanced southward by between 90 and 100 kilometres in the Sudan and that, on the average, 1.3 million hectares of arable land is lost each year because of deforestation, which has ravaged whole forests of *acacia nilotica* and gum-tree savannahs in the countries of the Sahel. This progressive deterioration of the plant cover is followed by huge sandstorms with their devastating fallout for agriculture. Thus, deforestation and the advance of the desert are matters of grave concern for Africa.

168. The measures decided upon within the framework of the Lagos plan of action round out and reinforce measures already adopted on the national and sub-regional level on the halting of desertification. Generally speaking, these consist of finding water, reforestation and protecting nature: in sum, restoring the ecological balances of the zones which have deteriorated and protecting the agricultural and pastoral ecosystems.

169. At this time my country is conducting a very active campaign of reforestation with the objective of planting trees on 3,000 hectares.

170. By this example, members can see that the Lagos plan of action is dealing with the crucial problems which Africa has to face in order to correct a situation that has taken on alarming proportions. To achieve that, it certainly deserves the massive support of the international community, because it is a serious plan and its objective is to help Africa in the face of the considerable backwardness which exists in comparison with the other continents and to meet the threat of starvation and sickness. The integrated action, of course, requires major sacrifices on the part of the African countries, but also the financial and technical support of the rich countries and the international organizations.

171. More generally, it can be said that these programmes are certainly ambitious, but that they are coherent and realistic and were developed and formulated by the developing countries themselves. They

require considerable effort on their part and also on the part of the rich nations.

172. We developing countries know that we must exert continuous effort over a long period of time, during which we hope to be able to achieve an endogenous and self-sustaining development so as to break the vicious circle of assistance. But the rich countries must first of all make an effort radically to change the concept of assistance as it has prevailed until now.

173. Indeed, the present rationale of assistance implies an increasing dependence on the part of the receiving countries and it also implies an increase in the volume of assistance, because of the very needs it creates. But it cannot satisfy those needs because of its small volume and because of the fact that it is distributed over long periods of time, which, of course, makes it impossible to take the necessary action to change the basic structures of production in the developing countries. One of the reasons—and not the least—for the existence of this situation is the fact that the assistance is still understood by most of the rich countries as an essentially marginal concern.

174. What is needed, consequently, is a redefinition and rethinking of the philosophy of assistance so as to take into account the real needs of the poor countries and the new constraints of the past few years. The rich countries must now help us to become self-sufficient.

175. Indeed, most developing countries are now combining their efforts so as to implement projects of common interest whose impact for each country could be more important than the impact of projects at the national level. Economic co-operation among developing countries is taking on a new dimension because of the need which has become more and more evident to extend and reinforce relations between the countries of the third world in order to free them from their dependence on the developed countries.

176. The developing countries no longer wish to be continuously assisted and thereby to be threatened by every difficulty which might arise from a lowering of the already very small volume of assistance given to them by the developed countries, depending on political and economic circumstances. To make them less dependent on assistance, massive aid must be given to them now, and it must be concentrated over a relatively short period of time, earmarked primarily for achieving structural changes. In order to extirpate the very roots of poverty, we need far more than what is now being given.

177. This proposal is not new. From all parts of the world we have heard voices demanding massive assistance for the third world so as to enable it to overcome the difficulties which it faces and to preserve its chances for development. The World Bank, the Organization for Economic Co-operation and Development (OECD), the European Economic Community (EEC) and the Brandt Commission, among others, have all spoken out in favour of that type of assistance, thus reinforcing the appeals which have been unceasingly launched by the developing countries themselves.

178. Of course, the developed countries are also meeting with serious economic difficulties which are due to the continuation of the economic crisis of the beginning of this decade. We do not lose sight of this reality, but we think, along with the EEC, that it is necessary to inject a massive flow of resources into the third world during a short period of time so as to contribute to a new start of the world economy. We believe that the means exist and we urge that they be rationally utilized. The resources that are used for armaments and the

unused resources of the International Monetary Fund are evidence of that fact.

179. Let us recall that a few years ago, President Senghor launched an appeal from this rostrum for a tax on armament expenditures to finance development. That idea seems to have progressed, because we find it again as an essential element in the proposals of the Brandt Commission. Another suggestion was to levy a tax on the arms trade and to use the money for the development of the third world. But all that presupposes overcoming certain antagonisms which are at the root of the increase of military expenditures. It is only at that price that we can really save our world.

180. Many international meetings are held every year to deal with development problems and they all have a common characteristic: they leave the problems of the third world virtually untouched.

181. At the end of this session we shall adopt new resolutions which then will be added to the countless other resolutions which have already been adopted. Among them I should like to recall more specifically those which were adopted by the International Conference of Parliamentarians on Population and Development, held at Colombo, Sri Lanka, in 1979, organized jointly by the United Nations Fund for Population Activities and the Inter-Parliamentary Union. That Conference appealed to the United Nations to devote particular attention to the problem of population and development during the current session and recommended that a world conference on population should be organized in 1984. It also asked that the budget for international assistance in population matters should be increased to \$1 billion by 1984.

182. I should also like to recall the recommendations of the World Conference of the United Nations Decade for Women: Equality, Development and Peace, held at Copenhagen from 14 to 30 July 1980, which also called for the elimination of all forms of discrimination.

183. Let us hope that those resolutions, and those that we shall adopt at the end of our work, will be translated into specific action to alleviate the suffering of the millions of poor people on our planet.

184. Mr. DIEZ (Chile) (*interpretation from Spanish*): I should like first of all to state once again the satisfaction of my delegation at seeing you, Sir, presiding over our work.

185. The Chilean delegation also wishes to welcome the delegation of Zimbabwe, a country which has just joined the great family of free nations. In the course of our participation in the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, Chile has had many occasions to give its support to the cause of independence for the country formerly known as Southern Rhodesia. It is therefore with special pleasure that today we see Zimbabwe occupying the place it deserves among the Members of the United Nations. The Government of Chile expresses its good wishes for the well-being of the people of Zimbabwe and its hope that, guided by their national leaders, they may advance on the road to freedom, development and social progress.

186. The Assembly is meeting in special session at a time when a decade of turbulence is coming to an end and at the beginning of a period which promises to be difficult for countries with a shortage of energy resources and critical for the least developed countries. The special problems of those two groups of countries are daily becoming more acute, while the international

community realizes that it has lost precious time and that the easy solutions to these problems have now disappeared.

187. We are faced today with ever more difficult dilemmas whose solution cannot be put off indefinitely. The time has come to fulfil the many promises made in the past to build new structures with the participation of everyone, in a joint effort and in the search for more just and equitable relations among peoples.

188. The gravity of the situation, which is particularly obvious in the least developed countries, has brought us to a crossroads in our attempts to alleviate these pressing problems. In this joint effort both the developed and the developing countries must share the responsibility, as must both planned- and market-economy countries.

189. We cannot and must not continue to allow even one bad harvest to be translated into the loss of human lives. We must reaffirm the fact that human beings are always the subjects and the objects of development.

190. It is most appropriate here to recall the following from the message of His Holiness Pope John Paul II to this Assembly session:

"We cannot, however, afford to let the limitations of ideological biases obstruct our concern for man—man in the concrete, the whole man, every man."
[See 2nd meeting, para. 2.]

191. Indecision in the face of the need to make structural adjustments brings us face to face with the prospects of a dark future characterized by slow growth, high inflation rates and increased unemployment, both in developed and developing countries.

192. Co-operation at the international level is meeting with serious problems, as a result of the decreasing flow of aid, the alarming increase in discriminatory barriers against exports from developing countries, and the instability and inequality in the present international monetary situation.

193. The foregoing explains, to a large extent, the increasing deficits in developing countries, estimated at over \$80 billion this year, and foreign debts of over \$400 billion, of which two thirds are to private banks which are refusing more and more often to continue financing these ever-growing deficits.

194. This situation in the developing world is, to a great extent, the result of the adjustment policies adopted by the developed countries in the face of the recent changes in the world economy.

195. The depression in the developed countries could make the situation in the developing countries even worse, for as the demand for exports from the latter declines the current account deficit in their balance of payments will grow.

196. Everything would seem to indicate that the growth rate projected for the developed countries for the first half of the 1980s, that is, 4.5 per cent, will not be attained, for the latest estimates indicate that a rate of no more than 3 per cent is expected for that period.

197. We cannot accept the constant contention of the developed countries that the cause of the problem is the rise in the price of oil, when the net effect of that rise has not even been responsible for a two-point rise in their double-digit domestic inflation. Neither is it valid to keep stating that the 135 per cent increase in the price of oil is responsible for a two-point reduction in the increase in the gross national product of the developed countries. To arrive at a correct evaluation, we must determine what margin of increase in the gross national product of those countries has been the result of the

benefit they have gained from the artificially low price of oil during the past few decades.

198. We believe that the correct reason for the falling income in the developed countries is the internal policy of each of those countries, which have tried unsuccessfully to keep up high employment by artificial means, by protecting their industries. Technical studies carried out in the developed countries themselves point to employment policies using protectionist means as responsible for the future loss of growth in their economies. Empirical studies carried out by ILO indicate that completely free trade would by 1986 result in a net gain of 282,000 jobs in the developed countries. The indirect gain from the creation of new jobs in the developed countries would also be substantial, owing to growth of their gross national product that would in turn be brought about by the increased demand of the developing countries for their exports.

199. The cost of structural change in the developed countries will increase daily with the growing efficiency of the developing countries. As an example, we may cite the effect in this decade of industrial growth in Africa on other southern countries in that important sector.

200. The search for short-term benefits and the lack of adequate foresight in the developed countries have been the cause of the present crisis. In the case of oil, the crisis arose because the market was prevented in the past from sending out signals that would reflect in advance the nature of this non-renewable resource and the prospect of its exhaustion.

201. My Government believes that the price of oil should reflect not only its short-term scarcity but also the level of reserves for the future, the cost of extraction and the existence of substitutes.

202. That would give the developing countries a realistic basis on which to project their needs and alternatives in the use of energy. In this connexion, we are pleased to point out that the contribution of some members of the Organization of Petroleum Exporting Countries (OPEC), in proportion to their gross national product, is 15 times greater than that of the developed countries. This is even more significant when we remember that the average income of an inhabitant of an OPEC country is one sixth that of a citizen of an industrialized country.

203. We referred earlier to the international responsibility for solving the most pressing problems of the least developed countries. We also wish to express our belief that assistance programmes must be created to arrive at a final solution for the deficits of the oil-importing developing countries.

204. When we examine the alternatives available to solve this problem, we find, first of all, that regular financing of oil imports of the deficit countries is not a long-term solution, for it would lead only to greater indebtedness. Nevertheless, we find from this analysis that there is a good long-term solution: a substantial increase in financial resources at favourable terms and conditions, to be used for prospecting for oil and for developing new sources of energy.

205. I should like to make a specific proposal, namely, the establishment of special machinery to help oil-importing countries to expand their energy plans. This would help those countries to continue to finance part of the \$450 to \$500 billion—in 1980 dollars—that are needed by those countries for the coming decade in order to expand their domestic production of energy, as the World Bank points out in its report *Energy in the*

Developing Countries of August 1980. The financial resources of this system should be at least \$100 billion.

206. Since energy consumption increases with development, a large part of the debt and of the deficit is borne by the few oil-deficient countries whose *per capita* income is between \$900 and \$2,000. Thus, we repeat, assistance should be given primarily to this group of countries, for otherwise only low-consumption countries will be helped and the pressure on demand will not slacken, nor will there be a decrease in the size of the deficit or of the indebtedness of the developing countries.

207. It suffices to point out that, while in 1978 oil imports for energy cost the developing countries \$30 billion, the same volume of imports in 1981 will cost them more than twice as much. This alone explains the growing current account deficit of the oil-importing countries, which has risen from \$28 billion two years ago to over \$60 billion.

208. When I spoke of the merits of making structural changes by adjusting the economy to the movement of world-level relative prices, I had in mind my country's experience when it suffered as a result of the very policy that is now being adopted by some developed countries.

209. In Chile, as in other Latin American countries, during the crisis of the 1930s we adopted a strategy for development based on import substitution. Through protectionism, using tariffs, quotas, prior deposits or other means, we tried to provide an incentive to industrial growth and economic development. This policy resulted in a poor use of resources, so that the rate of growth slowly declined, as a result too of the belief that any saving in foreign exchange and the creation of any job were good. Very few people realized the true cost of this irrational process of import substitution, which some are still trying to impose on some developing economies.

210. Incompetence, restricted markets and outdated technology all gave rise to industry that was inefficient in the use of resources and was developing in a destructive environment. Protection programmes for activities using skilled labour—the most abundant resource of the region—resulted in poor income distribution and a worse job situation. In the case of Chile specifically, the system gave rise to a very slow rate of growth which led in 1973 to an annual inflation rate of over 500 per cent, a deficit in the balance of payments and the almost complete depletion of international reserves.

211. In contrast, the present situation in my country comprises the establishment of a social market system, open to foreign trade, which has proved to be the most effective instrument for the well-being of the population. The Chilean economy has expanded at the rates of 8.6 per cent, 7.8 per cent and 8.5 per cent successively over the last three years, and it is expected that the rate for 1980 will be more than 7 per cent. This is all the more surprising inasmuch as my country has an oil deficit.

212. The implementation of this model has reduced inflation to a level near 30 per cent, made up mainly of imported inflation. The system has also improved my country's position in international trade, for our products reach more than 100 countries with various development patterns. The proportion of copper in Chile's total exports has fallen from 85 per cent to 47 per cent. Exports of non-traditional products have risen by over 1,000 per cent, covering shipments of 1,200 tariff items. The share of Chile's largest trading partner has fallen from 60 per cent to 16 per cent of our total trade. We must add that we have now substantial reserves and a

surplus in our balance of payments, in spite of the fact that we must import most of the oil we need.

213. We should also add that there has been a notable increase in real wages owing to improved productivity and to the consequent automatic adjustments to cover 100 per cent of increases in the cost of living, and owing also to the existence of collective bargaining to obtain further benefits, even though that labour policy has caused inflation in free markets.

214. The implementation of this strategy has led to the growth of the industrial sector by more than double the past rate and to the tripling of its share in the total volume of exports.

215. The most important achievement of this economic policy has been the advance on the road to economic independence, which is a precondition to political independence and true non-alignment.

216. As regards global negotiations, we must state that we are greatly troubled by the position of the developed countries that such negotiations should cover only the areas of food, energy and foreign trade balance. As we have said repeatedly, we believe that these global negotiations should be carried out in accordance with the mandate from the General Assembly and include all the areas mentioned in resolution 34/138.

217. We believe it opportune to recall that there was a consensus on global discussion of the various subjects. At the time, my delegation, for example, expressed its primary interest in the question of trade. It could not be otherwise, for experts calculate that if the countries of the Organization of Economic Co-operation and Development (OECD) reduced their tariffs by 50 per cent and eliminated other barriers to food products from developing countries, the exports of the latter would increase, resulting in foreign exchange earnings of \$3 billion annually. This foreign exchange income would finance 45 per cent of all imports of grain by developing countries. For all these reasons, we support the position that the negotiations should be global, that is to say, that all questions should be discussed at the meetings.

218. In order to stress the need for including trade in these negotiations, I should like to mention a study issued by UNIDO discussing the tariff and non-tariff barriers on Latin American imports. According to that study, more than 400 measures in the form of limits on quantities or restrictions for health reasons, were imposed on 1,051 items imported from Latin America, in the value of \$8 billion a year. Japan introduced over 100 measures against 431 Latin American articles valued at \$3.6 billion; 300 measures were applied to 479 Latin American articles by the European Community, in the value of \$8 billion.

219. With regard to the progress made on the international development strategy, the experience of our region, and of my own country specifically, has shown that it is useless to follow recommendations suggesting that the way to solve the world-wide food shortage is to promote self-sufficiency in the developing countries by cultivating basic food-stuffs, such as grains. There are countries which have for years received aid programmes for use in sectors lacking comparative advantages.

220. A grain deficit should not be confused with food scarcity; agriculture in each country should produce according to where its comparative advantage lies. Export what you have more of, and import the rest. That is the only rational view in our one world.

221. To use international financial resources in order to achieve total self-sufficiency for each country would be a waste of many of these resources and prevent the

agricultural sector from achieving its goal of 4 per cent growth. Such a policy only tries to reduce the financial burden that food aid represents for the developed countries and would thus have disastrous effects on the less developed countries, for they would have to use their own scarce resources inefficiently.

222. The situation we have analysed shows us the absolute necessity of finding real solutions to the pressing problems which the international community, particularly its neediest members, will face in the coming decade.

223. It is therefore regrettable that there still are countries which lack a sense of solidarity and refrain from giving effective aid for the development of the poorest countries.

224. No country should remain idle in this great joint task. Responsibility must and can be shared by all the nations of the developed world. There is no valid argument to justify those who have the financial capacity to put an end to famine and malnutrition excluding themselves from that urgent effort and covering up with grand speeches or self-serving aid projects.

225. This Assembly has the historic responsibility of causing, with impetus, political will, imagination and, more than anything else, with a deep faith in a promising future, the changes required to implement a more just international order based on the legitimate aspirations of all peoples to freedom and equality.

226. Mr. CORREA DA COSTA (Brazil): Sir, it is very comforting for us all to see you once again presiding over the Assembly. We rejoice particularly at the fact that an event which we have all so intensely anticipated, one which for you has a very special meaning, has taken place during your tenure. I refer, of course, to the admission of Zimbabwe to the United Nations. We extend a warm welcome to our brothers from Zimbabwe. We are aware of the enormous problems they have to face in their efforts for national reconstruction. They deserve the backing of the international community not just in formal or ceremonial expressions of solidarity but in concrete measures of support.

227. When, on the threshold of the 1980s, this eleventh special session was summoned, the international community envisaged that here in the General Assembly, the central organ of multilateral economic machinery, initiatives of meaningful scope and depth would be taken.

228. In addition to the adoption of the new international development strategy, which was in its original mandate, the launching of the global negotiations on international economic co-operation for development was placed on the agenda, thanks to a bold proposal of the Group of 77 at the end of last year.

229. I should like first of all to point out that over the past decades it has been the Group of 77 that has systematically taken the initiative in multilateral forums. Very often we of the Group of 77 are accused of being too demanding or unrealistic, but the fact is that almost no action would have been taken in the field of international economic co-operation, had it not been for the initiative of the Group. The other protagonists tend to sit back and wait for the Group to come up with ideas, to make suggestions and proposals and to enter into negotiations. The ideas, suggestions and proposals are, as a general rule, received critically, and the negotiations are brought up short by the unyielding positions taken on the other side of the table. The interdependence of the world in which we live amply demonstrates that, individually, no country or group of countries can

expect a position of isolation to provide protection or immunization against the effects of the present crisis. It is therefore imperative for all to contribute ideas, suggestions and initiatives to the effort, which must perforce be a joint effort, to find adequate solutions for the problems currently facing us.

230. The roots of the crisis, or its causes, are more than well known and have been abundantly documented. I should like to comment in passing on the very favourable impression made upon me by a first reading of the report contained in document A/S-11/5, prepared by the Director-General for Development and International Economic Co-operation and submitted to us by the Secretary-General; this document was brought to the attention of our Governments on such short notice that they may not yet have had the opportunity to give it the detailed study it deserves.

231. The worsening of the economic situation of the developing countries, which has already become something of a trademark of the seventies, was not offset or even alleviated by measures on the part of the international community as a whole. The picture is a desperate one for the developing countries that depend on external sources to satisfy their energy needs. No solutions have yet been found to cope with the difficult economic situation of these countries.

232. Protectionism—although there are still those who will not even allow it to be called by its proper name; inflation; unemployment: these are all known components of the global picture of uncertainty now so typical of the international economic scene. So it is all the more surprising that, given the universal recognition of the gravity of the situation, there has been almost no practical response. Reforming international economic and financial structures encounters resistance that reflects an inexplicable conservative adherence to mechanisms which, in the view of all, at this point serve no one. As a result of the shortsightedness of some of the countries that have the larger share of the responsibility for tackling and implementing solutions, preparations for this eleventh special session have given rise to increasing frustration and perspectives that hold little promise for the so-called North-South dialogue.

233. Truthfully, the picture is the same within the United Nations itself and outside it. It can be seen, for example, that when the chief economic Powers of the Western world met on 22 and 23 June 1980 in Venice, they apparently did not even come close to prescribing the structural surgery called for by the crisis. Half of the final communiqué of the Venice summit conference deals exclusively with the energy question, and the other half, purporting to deal with the problems of development, is full of emphases that are open to question, while it is strangely silent on the need for structural reform of the systems that govern international economic relations.

234. It should, then, come as no shock that the prospects for economic growth in the 1980s are much more modest than in previous decades. It is a matter of the utmost gravity, however, that below certain levels of average growth the economies of developing countries are incapable of meeting the minimum needs of the society they serve. And that perspective, beyond any doubt, poses at present—as it will in the future—a grave threat to peace, as the extreme imbalances of our day will become unbearable in the future.

235. Also giving rise to serious concern is our inability to use dialogue and negotiation as the main instruments to dispel these dangers. The conclusion of the preparatory process for this special session of the General

Assembly, carried out in the Preparatory Committee for The New International Development Strategy and the Committee of the Whole Established under General Assembly Resolution 32/174, left all the developing countries with the bitter taste of wasted effort and the sad recognition that their positive action almost never met with an equally positive reaction, however modest.

236. Some progress was made in drawing up the strategy. But if on the one hand the parts of the text that are not in square brackets represent sizable concessions on the part of the Group of 77 in relation to their original proposal, on the other hand the essential elements of a document intended to show the way and offer general parameters for international economic co-operation in the 1980s are precisely those to be found inside square brackets. The contents of the square brackets have defied not only the considerable negotiating flexibility demonstrated by the Group of 77, but even the inventiveness of the Chairman of the Preparatory Committee. Negotiating flexibility and inventiveness had little impact on the monolithic wall erected by a combination of silence from some developed countries and intransigence from others.

237. Less perceptible yet is the progress made towards launching global negotiations. There were even more frustrations in the Committee of the Whole, despite the efforts made by the 77. The draft agenda presented by the developing countries [see A/S-11/1 (Part IV), annex I, sect. A] was deemed too broad, although it was limited to the five areas specified in resolution 34/138. Admittedly the calendar for negotiations should be brief to make tangible results possible and avoid our getting involved in a continuous proliferation of meetings. As for procedures, we are still thwarted by the resistance of those who insist, *à outrance*, upon privileged positions within a system that is known to function poorly for everyone.

238. Those obstacles to the adoption of the strategy and the launching of the global negotiations have so far, I must repeat, defied our imagination and creativity. I believe there is no longer a trace of a doubt that we are on the brink of a political impasse in the North-South dialogue. Nor is there any doubt that if this eleventh special session fails, it will mean the formalization of the impasse, producing a whirlpool of negative consequences on prospects for international economic co-operation. Not one country will reap any benefit from this, and we shall all have to pay the price—developed countries as well as developing ones—though, naturally, the price for the developing countries will, as usual, be much steeper.

239. There is still the hope, however, that in the appropriate forum, at this General Assembly with its high-level political decision-making, conditions may be created to permit a breakthrough that has so far eluded us.

240. We shall all have to shoulder our responsibilities. But the developed countries must be told quite frankly and without beating about the bush that they will bear the greater part of the responsibility for not avoiding the impasse.

241. The Group of 77 stands ready to continue to negotiate up to the limits of its possibilities. Brazil, in solidarity with the other developing countries, is firmly committed to working for an understanding that, within these limits, will lead to acceptable solutions for all concerned. I trust this is an endeavour common to us all, lest this eleventh special session reach the disheartening conclusion so many anticipate.

242. Mr. KRAVETS (Ukrainian Soviet Socialist Republic) (*interpretation from Russian*): The solution of the joint economic problems of our time is closely related to the struggle to strengthen peace and international security. The maintenance of peace and the broadening and deepening of détente in international relations constitute an urgent and vitally necessary prerequisite for economic and other types of co-operation among States. As a result of the many active efforts of the countries of the socialist community and other peace-loving countries, in the 1970s there was an improvement in the international situation. The process of détente was strengthened, and it became filled with economic and political content in peaceful co-operation. In conditions of détente it became possible to raise the problem of the radical restructuring of international economic relations, which was then reflected in the adoption of such important documents as the Declaration and the Programme of Action on the Establishment of a New International Economic Order [General Assembly resolutions 3201 (S-VI) and 3202 (S-VI)] and the Charter of Economic Rights and Duties of States [General Assembly resolution 3281 (XXIX)].

243. Of particular significance for the cause of peace and development is the cessation of the arms race, which is now absorbing more than \$1 billion every day. It must be the task of all States actively to participate in efforts to bring about general and complete disarmament. A step forward on the path of carrying out that most important task would be the practical implementation of the well-known proposal on the reduction of the military budgets of States permanent members of the Security Council and other States having a considerable military potential and use of part of the resources thus liberated for purposes of the social and economic development of all countries, including an increase in assistance to the developing countries.

244. However, in recent times the process of détente has been opposed by the aggressive imperialist forces through a policy dictated by their unwillingness to take into account the realities of today's world: the strengthening of the position of socialism, the success of the national liberation movements, and the growth of peace-loving democratic forces. The imperialist circles would like to halt the process of world renewal.

245. Like the other countries of the socialist community, the Ukrainian Soviet Socialist Republic has consistently supported the position that everything positive that was achieved in the normalization of international relations in the 1970s should be preserved, while the political détente of the 1980s should continue to be the leading trend in international relations and should be supplemented by military détente.

246. New confirmation of the peace-loving policy of the socialist countries can be found in the declaration [see A/35/237-S/13948, annex I] that was adopted in May by the countries parties to the Warsaw Treaty, which contains a very concrete programme of measures to strengthen peace and security.

247. In that declaration, stress is laid on the importance of the present eleventh special session of the General Assembly, and the hope is expressed that

"the work and results of this session will facilitate progress towards equitable international co-operation in the economic field and also support for the efforts of the developing countries to accelerate the pace of their economic development." [*Ibid.*, p. 13.]

248. The convening of this special session of the General Assembly indicates the deep concern of the developing countries, which is shared by our delegation, in view of the highly unsatisfactory situation in the overall area of the restructuring of international economic relations on a just and democratic basis. It must be acknowledged with regret that progress in instituting a new international economic order has been significant, and in the view of our delegation the main reason for that is to be found in the preservation of the system of neo-colonialist exploitation of the developing countries by the developed capitalist countries and their monopolies. The Sixth Conference of Heads of State or Government of Non-Aligned Countries held at Havana from 3 to 9 September 1979 noted that during the years of the Second United Nations Development Decade the economic situation of the majority of developing countries deteriorated; *per capita* production fell, food problems aggravated, and foreign indebtedness and the balance of payments deficit increased.

249. The economies of the developing countries are suffering because of the crisis conditions inherent in the capitalist economic system: economic fluctuations, the lack of stability of the currency, inflation and chronic unemployment. The new deterioration in these spheres in the developed capitalist countries has hardened their economic policies in respect of the developing world and increased the exploitation of the human and natural resources of those countries. In their efforts to shift the consequences of the economic crisis on to the developing countries, the developed capitalist countries are applying the policy of protectionism and trade restrictions to a constantly increasing extent. According to UNCTAD data, such discriminatory trade policies have led to a situation in which the share of the developing countries in world trade has decreased from 30 per cent in the 1960s to 15 per cent at the present time.

250. It should be pointed out that a most negative role is being played by the transnational corporations. They are a very special threat to the young countries, which have weak economies and lack capital, technology and qualified cadres. According to economists' estimates, the average profits of the transnational corporations in the developing world amount to 17.5 per cent, as opposed to 9.7 per cent in the countries of the West. The opposition to the exploitation of the developing countries and to interference in their domestic affairs by the transnational corporations is one of the most important prerequisites for success in the struggle for economic independence. The need for the receiving countries to exercise effective control over the activities of the transnational corporations has often been stressed in the General Assembly and at various conferences of the non-aligned countries, including the last such conference, held at Havana in September 1979.

251. For four days now this discussion has been unfolding in the plenary meetings of the General Assembly. The discussion has, on the whole, been business-like and constructive. However, there have been individual attempts—apparent again today, particularly in the statement made by the representative of China [see 7th meeting, paras. 48-63]—to shift the thrust of this discussion and to divert our attention from China's hegemonistic aspirations as they relate to the developing countries.

252. The Ukrainian Soviet Socialist Republic like the other socialist countries, actively supports a restructuring of international economic relations on a democratic and just basis and is striving for a comprehensive broad-

ening of this process to include relations in such fields as trade, economics, science and technology, credit, currency and finance. It is obvious that it would be incorrect to speak of a restructuring within the framework of any given sector of international relations without taking into account the situation existing in the others.

253. It is important also to recognize the inadmissibility of using economic relations as a tool for blackmail and political pressure, the very policy now pursued by certain Western countries that are applying economic sanctions against other countries, reducing scientific and technological contacts and refusing to honour prior commitments. All that has a negative impact on international economic relations and impedes equitable and equal co-operation among all States in the solution of the important economic problems which are ripe for action.

254. There is an urgent need to restructure international economic relations on a just and democratic basis. The development strategy for the 1980s should fully comply with that need. That new document must embrace and develop all the important progressive principles and decisions of the United Nations, particularly those of the Charter of Economic Rights and Duties of States and the Declaration and the Programme of Action on the Establishment of a New International Economic Order, documents which reflect the collective aspirations of the developing countries to overcome their economic backwardness and to rid themselves of their economic dependence on imperialism. Among the basic principles of the strategy should be the right of all countries to exercise full and effective sovereignty and control over their natural resources and economic activities, including the right to exercise control over and nationalize foreign capital and transnational corporations.

255. Experience has shown that the pressure of monopolies has been most successfully resisted in those developing countries which, domestically, have made progressive social and economic reforms. The strategy must emphasize the importance of such reforms, first and foremost agrarian reform, the equitable distribution of national income, the development and strengthening of the public and co-operative sectors of the economy, industrialization, and the comprehensive introduction of systems of national planning, on the basis of a balanced utilization of all development resources. In so doing, priority should be given to domestic development resources as the most reliable way of achieving full economic independence.

256. The experience of the Second United Nations Development Decade has shown that quantitative economic growth indices taken in isolation from broad socio-economic reforms do not necessarily guarantee an improvement of the situation of the broad masses of the population. It would also be naive to believe that foreign aid to the developing countries is alone, or nearly alone, sufficient to overcome their economic backwardness. Such aid can serve only to complement the efforts of the developing countries themselves, but it is not a major factor in their development. In that connexion, I would emphasize that the developing countries have the perfect right to demand compensation for the damage inflicted upon them and which their economies continue to suffer as a result of colonial and neo-colonial exploitation. The socialist countries have had no part in that exploitation, which is why there are no grounds for the developing countries to make any such demands on us, as they do on the capitalist countries.

257. The basic principles of our economic, scientific and technical co-operation with the developing countries are: equal rights, mutual advantage, respect for sovereignty, and non-interference in the internal affairs of others. This co-operation is not tied to political or other conditions that might be inimical to the national interests of young States. We seek no favour and no unilateral privilege or advantage.

258. Within the framework of the Soviet Union's economic relations with the rest of the world, the Ukrainian Soviet Socialist Republic is taking an active part in the construction, in developing countries, of more than 400 industrial complexes in the fields of extractive industry, metallurgy, energy, machine-building, chemicals, petroleum-extraction and light industry, which are owned by the developing countries and constitute an integral part of their national economies. The Ukraine's participation is reflected in the deliveries of sophisticated industrial equipment and in the sending of experts. More than 4,000 Ukrainian experts are now working in developing countries, and more than 30,000 nationals of Asia, Africa and Latin America have received training in the Ukraine. At the present time, 15,000 people from developing countries are studying in Ukrainian secondary and higher-level institutions. For a number of years, we have been conducting seminars and workshops to train qualified cadres for the developing countries in the fields of metallurgy, welding, environmental protection and public health.

259. As in the past, the Ukrainian Soviet Socialist Republic is aiding the developing countries to the extent it can, relying on proven forms and methods of economic and technical co-operation.

260. As regards the drafting of an agenda for the global negotiations, I wish to point out that the position of the Ukrainian Soviet Socialist Republic is reflected in the joint statement of the nine socialist countries at the final meeting of the third session of the Committee of the Whole.⁴ Not to be repetitive, I would simply say that we are not opposed in principle to the proposal of the Group of 77 concerning the agenda for the global negotiations. We feel that the solution to existing problems will hardly be facilitated by the creation of new organs or new negotiating machinery. The essence of these problems is the political positions of the major participants in the negotiations, first and foremost, those of the developed capitalist countries. The elimination of inequality, discrimination, *diktat* and neo-colonialist exploitation, in conjunction with the adoption of measures to strengthen peace and security, the limitation of the arms race and the achievement of real disarmament: those are guideposts for a genuine restructuring of international economic relations on a just and democratic basis.

261. It is precisely in this manner that the Ukrainian Soviet Socialist Republic is prepared to take part in the process of establishing a new international economic order.

262. Mr. BISHARA (Kuwait): I should like to say, Sir, that the delegation of Kuwait is enormously pleased at seeing you presiding over this special session, once again assuming the presidential mantle. There is no need for me to refer again to the skill and ability that you have thus far displayed. We are happy indeed to see you piloting the deliberations of this special session.

263. We welcome Zimbabwe to the family of nations. Zimbabwe achieved statehood primarily because of the

struggle and sacrifice of its own people. Just ten years ago the independence of Zimbabwe was a dream; five years ago it was a possibility. Now it is a reality, and we rejoice over this reality.

264. As far as the new economic order and the struggle of the developing countries as well as others are concerned, the dream of today may be the reality of tomorrow. In our struggle for a new economic order, we should take the struggle of Zimbabwe as an example, for the dreams of yesterday can become the realities of today.

265. I should like briefly to express the views of the Government of Kuwait on this special session of the General Assembly. Our task at the special session is difficult, arduous, complicated, yet urgent. Our collective responsibility is to make drastic changes in the old economic order and to establish the new one. In sum, we must attempt to bring about economic decolonization and put an end to economic domination. This is not an easy task, for there are factors that must be taken into account if we want our efforts to be crowned with success.

266. One of these factors is that economic liberation cannot be attained without political emancipation. In other words, the establishment of the new economic order cannot be separated from the establishment of a just political order. What do we mean by that? We mean that the end of foreign occupation, the exercise of self-determination by peoples under oppressive rule and the fulfilment of the political rights of all peoples are indispensable elements for progress towards economic justice. Otherwise our efforts will continue in a spiritual, psychological and political vacuum.

267. It is in the interest of the international community to assist our region in overcoming its political problems, which trammel, hinder and complicate its economic role. It is also important—indeed indispensable—for the success of the new economic order to create the dynamics that will carry us forward towards the objectives we are seeking. Economic decolonization is no different from political decolonization. Our search here and now is for economic decolonization. Political decolonization brought about its own dynamics during the 1950s and 1960s, with remarkable success. I submit that the new economic order has not yet brought about its own dynamics.

268. Yet I must admit that there is a consciousness—an awareness—of the need for a drastic change in economic relations, but this consciousness, this awareness, has not reached the stage of shaping its own irresistible dynamic flow. We cannot create a new economic order without bringing about these dynamics, as we brought about the dynamics of decolonization in the 1950s and 1960s.

269. It is therefore important—and inevitable—that this session should generate a momentum towards what we call economic justice. I have heard genuine cries of economic despair, just as I have noted powerful forces of hope. Our duty here is to heed the cries of need and at the same time to employ the forces of hope for the betterment of mankind.

270. There is an undeniable consensus that something should be done, but there is no agreement on what should be done or on how to do it. It has been said that political will is lacking, but we submit that perseverance for justice is bound to bring about this missing political will for, as history has demonstrated, it is impossible to resist for long the dictates of powerful change, even less to resist them indefinitely.

⁴See A/AC.191/SR.51, paras. 33-35.

271. In our view it is politically, morally and economically impermissible and unjust for some to live in absolute wealth while many are crushed by absolute poverty. And it is in the interest of the privileged few to assist the impoverished many. Therefore, we should do our utmost to ensure the success of this special session.

272. My delegation is participating in this session with a constructive approach. At the Sixth Conference of Heads of State or Government of Non-Aligned Countries, held at Havana from 3 to 9 September 1979, we took the initiative, along with others, in recognizing the importance of the issue of energy and accepting its inclusion in the agenda for the global negotiations. In fact, the Kuwaiti delegation triggered those deliberations at the Havana Conference. We did that with full awareness of the rights and duties of all States with respect to the implementation of the new economic order. We know our duties but we expect others in all fairness to understand our rights. Let me speak about our duties first.

273. Being a major oil-producing country, I must admit, is not exclusively a privileged position, but is undeniably and undoubtedly a mixed blessing. We know that our duty is to provide the world with oil at a production level which is not in my country's interest but in the interest of the international community. In other words, we produce—and let me say it frankly—more than we need, simply to satisfy the demand of the world. And in the process we undeniably earn an income whose absolute value is declining because of inflation and currency fluctuations, as well as many other factors. Oil, it must be understood, is our only source of income and we are depleting our resources at a speed that is contrary to our interests, but we are doing it and doing it in compliance with our duty towards the world. It is, we submit, a unique display of selfless sacrifice. No matter how much we are paid for our oil, the truth is that our sacrifice is greater by far than our reward. My country is providing more oil than its long-term interest justifies. It does so to satisfy others, and it does it with a sense of responsibility. No doubt, it is our duty to do our utmost to stave off, to head off and to avoid any international anarchy in energy. But under no circumstances—let me make it very clear—shall we underwrite excessive consumption and misuse of energy.

274. It is our duty to assist the developing countries by participating in their economic projects and alleviating the burden in their balance of payments. We in Kuwait are pioneers in establishing the Kuwait Fund for Economic Development, which has become one of the most successful financial institutions in the world. It operates in all developing countries on the basis of soft terms with long grace periods. It is true that its yield is long-term, while the developing countries—I must admit—are in need of emergency assistance. But aware of this fact, we have engaged in bilateral arrangements with many developing countries with a view to alleviating their situation and easing their dire needs. Furthermore, my Government is a major contributor to the OPEC Fund which was created solely to assist developing countries in their balance of payments.

275. In 1978, according to the report of the World Bank published in 1980, OPEC official development assistance amounted to over \$4.3 billion, which is the equivalent of 1.35 per cent of their combined gross national product, while the assistance of the developed countries was only a meagre 0.35 per cent.⁵ These statis-

tics on OPEC assistance are separate from OPEC's contribution to the IMF oil facility.

276. I do not like to quote figures because they are confusing, and we are not engaged here in a contest over who assists whom and how much. The problem that we are engaged in is economic decolonization and our approach should be dictated and arranged accordingly.

277. Kuwait's net disbursements as a percentage of gross national product in 1978 reached 6.35 per cent, thus making us the highest-ranking donor country in concessional assistance to developing countries. In simple terms, it means that in that year every Kuwaiti citizen contributed approximately \$2,500 to developing countries. That is a staggering amount, but we should not go into details and figures.

278. In the field of investment, we in Kuwait have embarked on a huge programme of investment in developing countries, covering agriculture, industry and infrastructure, as well as other fields. We have encouraged Kuwait's private sector and employed its finance and its internationally recognized and renowned expertise in developing countries, so much so that our private investments have reached the shores of all continents—and, I must say, with sound rewards to the recipient countries. We do that as a matter of policy.

279. Our contribution to international institutions is increasing with full awareness that those institutions must gear their activities towards the needs of the developing countries, especially the least developed among them. I must say that because of our leverage in the regional institutions, they complied with our insistence and agreed to gear their activities to the developing countries. Recently, the OPEC countries took a decision to convert the OPEC Fund to the "Development Agency". In my view, this is a major stride along the road of co-operation among developing countries and I hope the developing countries will capitalize on it. It will enhance not only their responsibilities but also their possibilities and potentials for economic co-operation.

280. Let me say in all frankness, with all candour, that alone we cannot produce miracles. Passing the buck to OPEC, as I have noticed happening in the last few days, is totally counterproductive. We are not the saviours of the world but, at the same time, we are not villains and vultures battenning on the wealth of others.

281. We, too, suffer from imported inflation, which has absolutely nothing to do with energy prices. We must bear in mind that we have to import everything save energy, and that is why we have not only a special interest in, but have also embarked upon, food programmes and food production—not only in Kuwait but the world over.

282. We have a duty to tell the world that we cannot meet the insatiable demand for oil indefinitely, since we depend solely on this depletable resource for our survival. We shall reach a stage at which energy exports will decline sharply and drastically. Therefore it is incumbent upon all of us to accelerate and enhance the search for alternatives.

283. Indeed, we attach great importance to the United Nations Conference on New and Renewable Sources of Energy, to be held shortly in Nairobi. In this respect, we welcome the recent World Bank study on a \$25 billion financing programme for energy projects in developing countries.⁶ As a demonstration of our interest in alter-

⁵See *World Development Report, 1980*, p. 29.

⁶See *Energy in the Developing Countries* (Washington, D.C., World Bank, 1980), chap. IV.

natives, the Kuwait Petroleum Corporation, one of the largest in the world, has agreed to become a full participant and shareholder in the International Energy Development Corporation. The aim of that corporation, set up last November, is to promote the development of energy resources in the third world, with particular emphasis on projects that will help to accelerate exploration for oil and natural gas.

284. We also want to see serious conservation efforts and a reduction of oil consumption. We encourage all attempts aimed at reaching that goal. But we want to conserve, not to converse about conservation, which so far has been the case, unfortunately. A reduction in consumption will relieve us of the pressure to produce more than we need. Without economy in consumption and without discovery of alternatives the world has no choice but to expect a progressive increase in the prices of energy. In all frankness, we would prefer to see less oil used at lower prices than increased production at higher prices.

285. I must also say that the non-OPEC oil-producing countries have a very important role to play. There are countries outside OPEC which produce more oil than some members of OPEC, and they are relieved of the pressure on and, I must add, the unjustified criticisms directed against OPEC members. They should emulate us in producing the quantities the world needs, instead of satisfying themselves with producing just what they need. They also must be called upon to play their role in granting economic assistance to developing countries and in participating actively and energetically in making a drastic change in economic relations.

286. The word "OPEC" apparently has its own magic. But we must realize how misleading that word is. All OPEC members are developing countries, many of them barely above the level of the least developed; some of them have a modest or very low *per capita* income. To lump them all together so as to give the impression that they live in super-wealth behind barbed wire fences is not only misleading but counterproductive. It is true that some of them have reached a high standard of living, with a high *per capita* income, but they have reached that stage not by choice but by imposition. The world has asked us to produce much more than we would want under normal circumstances, and we in turn, obtain money and funds—which, more often than not, are begrudged us—and we are criticized. We offer concession, yet our role is not appreciated, even bitterly criticized.

287. I spoke earlier about our investments in terms of a duty. Let me speak about them in terms of a right. Those who want us to invest in their countries must create the atmosphere that will be conducive to our investment. In Havana, last September, at the Sixth Conference of Heads of State or Government of Non-Aligned Countries, we were able to take the initiative to reach a sound formula on and a framework for the issue of investment. As exporters of capital, it is our legitimate right to seek assurances, as it is our duty to respect the domestic laws and the sovereignty of the receiving countries. But I must say that our efforts have not been successful on all occasions. In the industrial countries we are barred and prevented from investing in attractive areas of investment on the grounds, sometimes, of national security and other times of national sensitivity.

288. Of course, we respect that attitude, but at the same time no one should expect us to invest in areas of his own choice. Investment should be based on mutual benefit and not on unilateral preference. So we find ourselves in many cases and on many occasions victims of

currency instability and of confined investment. It is no wonder that we prefer to export less oil rather than be burdened with financial white elephants.

289. No one knows poverty better than those who were born in it. We Kuwaitis understand the outcry of the developing countries and the urgent steps they need to take to overcome their problems. For we Kuwaitis lived until recently in the most indescribable and abysmal form of poverty—in fact, in destitution. Therefore we took it upon ourselves to assist the needy in the world, regardless of their location and irrespective of their political stand.

290. The special session is an occasion for us to show responsibility, with vision and credibility combined with reasonableness. To be credible one has to be reasonable. Overambition is counterproductive; so is rashness.

291. So far, this session has proceeded in a spirit of hope and constructiveness. We should not delay the inevitable, and the inevitable is the emergence of economic justice, just as we saw the emergence of political decolonization.

292. Plato once said, "It is forgivable for a child to be afraid of the dark. The tragedy of life is when men are afraid of the light". I hope that we shall not shun the light and that we shall take Plato's words to heart.

293. Mr. URTUBEY (Argentina) (*interpretation from Spanish*): Mr. President, my delegation would like first to express its satisfaction at the fact that you are presiding over this special session of the General Assembly. During the past year, you have given us proof of your unusual resourcefulness and capabilities, which will certainly help to ensure that the work of this Assembly—an Assembly faced with the challenge constituted by the agenda before us—will be crowned with success.

294. I should like now to welcome and congratulate the Republic of Zimbabwe, which is, for the first time, taking part in the General Assembly as a State Member of our Organization. To Zimbabwe, its Government and its people we should like to convey our best wishes for success and prosperity.

295. The delegation of Argentina views with great satisfaction the fact that the General Assembly has accepted the Latin American Economic System (SELA) as an Observer of this session [*decision S-11/22*], since most of the Latin American and Caribbean countries belong to that institution, one of whose functions is to facilitate the co-ordination of the economic policies of the countries of the region.

296. We are meeting at a time when the world economy is going through one of the most serious crises of this century, with the developing countries suffering the most from its consequences.

297. Moreover, everyone agrees that the outlook for the decade that has just begun will be frankly unfavourable unless measures are taken to make it possible to reverse the present trends of the main macro-economic variables, as indicated in the *World Development Report, 1980* recently made public by the World Bank.

298. In view of the seriousness both of the situation and of the outlook, we must admit that we have before us a phenomenon which is much more than merely cyclical or conjunctural.

299. This does not imply in any way a total and indiscriminate condemnation of the economic system based on the allocation of resources through the action of market forces, which would be an over-simplification of a complex problem. But neither does it imply a lack of awareness of the fact that unless structural measures are

taken, we shall not be able to overcome a crisis that is leading us progressively towards a recession, low growth rates and high levels of unemployment and inflation.

Mr. Sinclair (Guyana), Vice-President, took the Chair.

300. At this session, the Assembly has before it two main tasks aimed at overcoming the impasse that exists in the establishment of a new international economic order. Those two tasks are the adoption of a new international development strategy and the launching of global negotiations.

301. My delegation's assessment of the current economic situation is totally consonant with the evaluation made by the delegation of India on behalf of the Group of 77 at the beginning of our debate [see 2nd meeting, paras. 58-92].

302. Furthermore, the report submitted to the Assembly by the Secretary-General in document A/S-11/5 contains ample material on this subject. This allows us to focus the comments of my delegation on some aspects of the new strategy and the preparations for the round of global negotiations to which we attach special importance.

303. Both the strategy and the global negotiations must be conceived within the framework of achieving the objective of a new international economic order, the basis for which was established in the Declaration and the Programme of Action on the Establishment of a New International Economic Order, adopted by the entire international community as General Assembly resolutions 3201 (S-VI) and 3202 (S-VI) in 1974, and in General Assembly resolution 3281 (XXIX), the Charter of Economic Rights and Duties of States. That is the first linkage between those two exercises.

304. A second link will be provided by the incorporation into the strategy, through the review and appraisal machinery to be established, of the results of the global negotiations. The new round therefore constitutes an endeavour to determine in greater detail certain policy measures that are only going to be outlined in relatively general terms when this Assembly adopts the strategy.

305. Within the present context of transition to the new international economic order, the solution of the problems related to trade is of decisive importance for the development of our countries, to which the continuing imbalances in the external sector, aggravated in recent years by the reduction of their export earnings in real terms, is one of the principal obstacles.

306. Except in a few isolated cases, there have been excessive fluctuations in the prices of raw materials on the international markets, with negative repercussions on the economies of the developing countries since their responsibilities of growth depend essentially on what profits they can make from their international commodity trade.

307. In addition to the excessive price fluctuations they are facing, the developing countries have to confront the protectionist measures adopted by the developed countries, which consist of both tariff and non-tariff barriers.

308. Such protectionist barriers affect also the manufactured and semi-manufactured products which the developing countries, after having been able to develop a comparative advantage therein, have with great effort begun to export. Thus those exports have been considerably restricted, especially those products that are highly labour-intensive.

309. Although it is true that the tariffs of the developed countries have been reduced since the post-War period, it is also true that the goods imported from the developing countries are still affected by tariff levels much higher than the average. To that must be added that that protection is achieved through a tariff-escalating device, which applies higher tariffs on manufactured products than on semi-manufactured products, and on those semi-manufactured products higher tariffs, in turn, than on raw materials, thereby discouraging the industrialization of the developing countries.

310. Furthermore, non-tariff measures such as licensing, quotas and voluntary limitations directly result in preventing the entry of products with which the developing countries have won an important share in international trade.

311. Consequently, exports from the developing countries are drastically limited by the protectionist measures imposed by the industrialized countries precisely when the developing countries need the foreign exchange generated by those exports to enable them to acquire, among other things, technology, capital goods and industrial inputs, which are essential elements for progress to be made in their process of development. That is why it is indispensable for an agreement to be reached by which the developed countries would eliminate all kinds of trade barriers, facilitate as far as possible the necessary industrial redeployment and carry out internal adjustment processes in connexion with the branches or sectors where they cannot compete.

312. The other problem to which I should like to refer in some detail is that related to the energy sector, as it is evident that energy constitutes the central aspect of the present economic crisis and that, in the final analysis, it fundamentally affects the developing countries, especially those which lack their own energy resources and are therefore caught up in a situation of rising oil prices on the one hand, and rising prices for manufactured products on the other.

313. The events that have taken place in the energy field during the past few years lead one to the conclusion that the international community is moving towards a new world energy system because of the fact that the relative prices of various energy sources will, in influencing their allocation, have an effect on oil, which, because it is a non-renewable source of energy, will progressively cease to be used as fuel and become mainly a raw material for the petrochemical industry.

314. The non-oil-producing developing countries, especially the least developed among them, need special attention, and this attention should begin with a more detailed study of the possible energy options, making it possible to solve their problem and, then to define the best alternatives for each country.

315. Among those options are: optimizing the processes of energy production, changing consumption patterns, rationalizing energy use in the various spheres of human activity and searching for and developing conventional energy sources, together with research and utilization of non-conventional sources.

316. Considering that the non-oil-producing developing countries in many cases have considerable potential in other energy sources which have not been explored or exploited to date, the search for and the development of those sources seems to be the best possible option for them, while changes in consumption patterns and the optimization of processes appears to be the best approach for developed countries.

317. In a report issued last year by the Organization for Economic Co-operation and Development (OECD), the developed countries themselves recognized that energy conservation, nuclear power development and use of coal are the three avenues to pursue vigorously and simultaneously while preparing for the emergence of new forms of energy which may become available in the longer term.

318. We agree with that statement, and that is why we attach great importance to the principle that all States without discrimination should have access to and be free to acquire technology, equipment and materials for the peaceful use of nuclear energy for economic and social development, in accordance with their priorities, interests and needs as agreed to by the General Assembly in its resolution 32/50.

319. Argentina's interest in the use of nuclear energy was demonstrated by the holding recently in Buenos Aires of the first meeting of non-aligned countries to co-ordinate the peaceful uses of nuclear energy. At that meeting questions regarding co-operation in nuclear matters among the non-aligned countries and their position in international conferences and organizations were considered.

320. It is essential that the question of access of the developing countries to nuclear technology be duly included in both the international development strategy and the future global negotiations, taking into account that this source of energy constitutes a technically and economically proven option and that all States have the right to decide for themselves what are their national requirements within the context of their international commitments.

321. In the global negotiations, a series of possibilities should be considered to facilitate the development of energy sources in the non-oil-producing developing countries, among which are the following: The formulation of national energy programmes in the developing countries based on the determination of optimum strategies for each country and bearing in mind their own energy possibilities and the types of application in the economic sectors. The second possibility is horizontal technical co-operation for research into, and the investigation, exploitation and development of, conventional and non-conventional energy sources in the developing countries. The third possibility is the transfer of technology by the developed countries to ensure the best use of the various energy sources. The fourth possibility is the financing of the various projects resulting from the recommendations to which I have referred by all the developed countries—both those with market economies and those with centrally-planned economies—and by all the developing countries in a position to do so, through international and regional organizations. In that connexion, Argentina wishes to congratulate the Governments of Mexico and Venezuela on the important agreement recently signed in San José, Costa Rica.

322. If this special session is to be considered a success, we must reach agreement on the agenda and procedures of the global negotiations.

323. With regard to the question of procedures, the focus has basically been on the alternative described as "centralization" or "decentralization". I must say quite frankly that that choice seems to us to be a false dilemma. It is a false dilemma because the real problem is whether or not there exists the true political will to find solutions to the present economic crisis through global negotiations. It is a false dilemma also because

our Governments' positions do not depend on the organizations to which they belong; they cannot express different positions in different forums.

324. The problem is quite different, as the Secretary-General rightly states in the following passage of the report he has submitted to us:

"The processes of the United Nations system have tended to be used primarily for deliberations resulting in texts of a general character rather than firm commitments to action". [A/S-11/5, annex, para. 398]

325. What would be the difference between global negotiations, as proposed by the Group of 77 and accepted by this Assembly, and the negotiations carried out in the past? What does this global character that we have chosen mean?

326. In our view, the only meaning is that such negotiations will make transsectoral linkages possible—something that was not possible in the past; and that the final package of measures to be agreed upon could contain commitments related to matters that we, the various Governments, have entrusted to the competence of a number of international organizations. In that connexion, we consider the following opinion put forward by the Secretary-General in the same report to be very accurate:

"... the modalities for negotiation have tended to rely on a sectoral case-by-case approach, which frequently fails to provide negotiators with the leverage needed to utilize transsectoral linkages between proposals". [Ibid.]

327. My delegation is optimistic about the success of the global negotiations. The advantages that overcoming the present crisis would bring to the entire international community are so obvious that they would undoubtedly generate lasting solutions.

328. Only those who view the world economy as a zero-sum system, where the advantages obtained by some countries always constitute disadvantages for other countries, could justify a defeatist attitude. My delegation is convinced that a negotiated reactivation of the world economy would bring advantages to all countries, developed and developing.

329. The developing countries have come to this special session to demonstrate their willingness to negotiate. We reiterate the hope, expressed in the last declaration of the Group of 77, that all the industrialized countries will approach the negotiations with the political will indispensable to ensuring that they are successfully concluded.

330. Mr. OREIBI (Libyan Arab Jamahiriya) (*interpretation from Arabic*): The delegation of the Libyan Arab Jamahiriya is pleased to take this opportunity to extend its warmest congratulations to Mr. Salim and to say how happy it is to see him presiding over our discussion of one of the most complex and important problems facing our world today in the economic sphere. Indeed, the spectre of hunger and underdevelopment looms over the world, and pessimism is rampant regarding the possibility of finding crucial solutions within the framework of international political relations. My delegation assures the President of its support in his efforts to make this session successful in finding solutions to the problems which will serve the interests of mankind, of peace and of justice.

331. My delegation is also pleased to welcome and greet the delegation of Zimbabwe on its admission to membership of our Organization, following a fierce struggle against imperialism. We are convinced that the people of Zimbabwe will continue the struggle and will

join other peoples of the world in the attempts to solve the problems of underdevelopment and eliminate the vestiges of colonialism and imperialism.

332. This session is being held at a time when the world economy is facing a real crisis. Indeed, world economic growth is still slow, inflation is increasing day by day, and unemployment is raging and threatening millions of people the world over. This crisis is not the first for the world economy, and it will not be the last so long as the international economic order is based on domination by a group of countries in the sphere of international economic policy without any effective participation by the developing countries, which are simply onlookers watching from the stands the international game that is being played.

333. The present economic order was founded after the Second World War by a group of developed countries, without the participation of the majority of the developing countries. The need to change this order has become a fact that cannot be ignored, if we are to eliminate the international economic crisis and the imbalance in international economic relations, which benefits a minority of countries, and achieve the new international economic order based on justice and equality, as well as on the right of all countries to be masters of their own natural resources and to use them to serve the objectives of their peoples in proper conditions that are more in consonance with their economic and political situations. Developing countries feel that they cannot achieve economic development in the present international economic order and ceaselessly demand that this order be changed; they have made many proposals for the achievement of a new international economic order based on justice and equity. In this regard I should like to mention the proposal for the holding of the sixth and seventh special sessions. The sixth special session led to the adoption of the Declaration and the Programme of Action on the Establishment of a New International Economic Order [*General Assembly resolutions 3201 (S-VI) and 3202 (S-VI)*]. That Declaration and Programme of Action, though adopted by consensus, are far from being realized, and the reason for that is the attitude of some developed countries that in principle refuse any change that might limit their control over and domination of the economic situation.

334. The developed countries are hindering the establishment of a new international economic order, but that has not prevented the developing countries from working to achieve that order. At the thirty-second session of the General Assembly they presented the idea of creating the Committee of the Whole Established under General Assembly Resolution 32/174 on the new international economic order, a Committee to help the General Assembly to evaluate the progress achieved in the implementation of the relevant General Assembly resolutions. That Committee is one of the links in the chain of the dialogue between the North and the South, and it has had no better fate than the resolutions of the sixth and seventh special sessions. Though the Committee has achieved some results on the transfer of resources and agricultural development, it has not been able to come to any agreement on the most important subject of the dialogue, namely industrial development in developing countries.

335. The developing countries made a proposal designed to initiate global negotiations to achieve a new international economic order and to accelerate the economic development of the developing countries. Following a proposal of the Group of 77 at the thirty-fourth session, the General Assembly adopted its

resolution 34/138, on global negotiations to consider economic problems concerning raw materials, energy, trade and development, money and finance, calling for simultaneous consideration of those questions in order to ensure a coherent and integrated approach to the issues under negotiation. The Committee of the Whole was entrusted with the task of preparing for the negotiations by adopting an agenda and procedures likely to lead to agreement on the problems. Even though the Committee of the Whole has held three substantive sessions to consider those items, and even though it tried to reach agreement on the agenda as well as on procedure and a time-table for negotiations, it did not manage to achieve any significant progress. My delegation feels that the major reason for those negative results is, again, the attitude of some developed countries and the lack of political will among those countries to carry out the needed changes. Certain developed countries have tried to divert the negotiations from their initial goal: the creation of a new international economic order through the restructuring of the international economic order and the acceleration of economic development in developing countries. They have tried to divert them from that objective by dealing with marginal matters such as the present economic crisis, without considering the structural problems of the world economy.

336. That is inadmissible to the developing countries, which were the authors of the proposal for negotiations, for they want to change the rules of the game in order to take a more effective part in the solution of world economic problems and to take decisions that might have an impact on those problems. The developed countries believe that the agenda should be confined to food and energy, and that other questions should not be considered at the present stage. But to us that means piecemeal negotiations, and that is incompatible with resolution 34/138, according to which these negotiations should be coherent and integrated and should be carried out simultaneously in order to maintain that interdependent and integrated character. As regards procedure, the attitude of some developed countries is also in contradiction to resolution 34/138, which provides that the negotiations should be conducted centrally so that the General Assembly can play a crucial role. As for the role of the specialized agencies, it should be complementary so as to help the General Assembly at its request. We feel that the developed countries wish to fragment the negotiations by proposing that they be considered through the specialized agencies. To my delegation that idea is inadmissible, for the following reasons:

337. First of all, the specialized agencies have considered these questions for a long period of time and, in spite of that, they have only sometimes come even to a simple agreement and sometimes they have achieved only failure.

338. Secondly, the agreements setting up some of these agencies would themselves be the subject of discussion during the negotiations and no agency would objectively discuss the amendment of its statutes.

339. Thirdly, many of the agencies are under the domination of certain industrialized countries, which benefit more than other member States. This domination enables them to defend their interests.

340. For all those reasons the attitude of the developing countries has taken into consideration all the circumstances that could ensure fruitful negotiations, in which the General Assembly would play a main role through the United Nations conference on global negotiations.

341. It suffices to take an objective look at the results of the current International Development Strategy to realize that its goals have not been achieved, modest as they were. Agricultural production has not attained the envisaged growth rate; in some areas of the African continent—east Africa and in the Sahelian region of the Sudan—the food problem is now becoming an urgent priority. The report of the World Food Council, which was drafted after the sixth ministerial session of the Council held at Arusha, United Republic of Tanzania, from 3 to 6 June 1980 explains that if the necessary measures are not adopted during this decade the number of people who will go hungry in 1990 will be even higher than today's figure.⁷ As for the gross national product of developing countries, it has increased by a mere 5.2 per cent. The Strategy has not achieved its objectives for the following major reasons: the developed countries have not honoured the commitments undertaken during this Decade. Indeed, the amount of assistance they have extended represents only 0.34 per cent of gross national product instead of the 0.7 per cent which they had promised the developing countries, and even though we are already at the end of the Decade and are now preparing a new international development strategy.

342. Among the issues to be considered at this session is that of the third United Nations development decade, not all aspects of which have yet been drafted because many of them are still to be agreed upon. First of all, there is the goal of a 7 per cent growth rate for the developing countries to be fixed; in addition, there are questions of monetary reform, development assistance and the matter of energy, which are still controversial.

343. The reform of the international monetary system is vital to the developing countries because its deterioration poses a problem to the entire world. The economic situation cannot be reformed without a restructuring of the international monetary system, as well as of the rules and conditions set by the International Monetary Fund (IMF) to ensure fairness and to see to it that they meet the development needs of the developing countries. Indeed, IMF conditions for the granting of loans have obliged developing countries to resort to private banks to obtain short-term loans, which has aggravated the problem of indebtedness to the point that debt service sometimes amounts to 50 per cent of those countries' export income. Accordingly, the conditions imposed by the Fund for the granting of loans have to be modified so as to remedy those countries' balance of payments problems.

344. As regards the energy problem, it must be dealt with in the framework of the global negotiations and not separately from other economic problems.

345. The campaign orchestrated in the developed countries against the oil-producing developing countries goes on, both through the media and through the leaders of certain countries who are trying to attribute the present crisis and world inflation to oil price increases, when, in fact, the international economic crisis began before the increase in oil prices and will continue after the petroleum era, because it stems from the present structure of the world economic system. The crisis will end only when the system is changed. The oil price increases are due to external factors in which the oil-producing developing countries have played no part, factors such as inflation, fluctuations in exchange rates and the role of monopolistic corporations.

346. Monetary inflation can be explained by, among other things, the enormous increase in governmental expenditures in the developed countries, especially with regard to weapons, the arms race having reached frightening levels. Moreover, the industrialized countries have not followed an efficient economic policy that would allow them to control inflation. Hence, rather than resorting to palliatives we must introduce structural changes into the international monetary system, which gives certain developed countries advantages not enjoyed by others. That explains why every economic disorder in that group of countries has repercussions in all other countries of the international community.

347. By supplying the world's oil needs to an extent exceeding their own needs and income-absorption capacity, the oil-producing developing countries are depriving their future generations of an important energy source. Nevertheless, those countries are the object of severe criticism every time they take measures to adjust the price of oil, which is their major source of development financing; and yet the industrialized countries are never criticized when they raise the prices of their industrial products.

348. The economic problems of the developing countries are the result not of oil price increases but of the deterioration of international economic relations which serve the interests of a limited group of countries. That is why, to put an end to this problem, those relations must be replaced by others based on equality among peoples. The international division of labour, which obliges developing countries to export raw materials at constantly deteriorating prices, has given rise to numerous problems; hence we have to review this matter of the international division of labour as a *sine qua non* for eliminating these difficulties. Mindful of their responsibilities, the oil-producing developing countries have devoted part of their earnings to assisting developing countries, even though they themselves need long-term assistance to finance their own development.

349. Furthermore, the earnings of the oil-producing countries are not the result of solid economic progress as in the case of the industrialized countries; they are not constant in nature but are only a temporary surplus deriving from the export of a single non-renewable strategic product. That is why aid granted by the oil-producing countries cannot be considered on the same basis as that provided by the industrialized countries which have healthy, balanced economies.

350. The assistance provided by the OPEC countries has no strings attached and confers no advantage on those countries, whereas the assistance provided by the industrial countries does bring them benefits, thanks to the export of their products and the supply of services to countries receiving their aid.

351. The so-called energy crisis is nothing but propaganda orchestrated by the mass media of the industrialized countries against the oil-producing nations in order to make the latter the scapegoat for the international economic crisis and to justify the failure of the Governments of the developed countries to solve their economic problems. Yet, statistics show that there has been no drop in oil supply in the past. In 1979, for example, production actually increased by 5 per cent over that of 1978, while consumption increased by only 2 per cent. If the amount of oil available on the market is less, it is because the industrialized countries have been stockpiling oil for strategic reserves, to the tune of 5 billion barrels, and to the obvious detriment of consumers. A real oil crisis could take place in the future if we do not adopt urgent measures to limit consumption, which

⁷See *Official Records of the General Assembly, Thirty-fifth Session, Supplement No. 19*, part one.

since the 1960s has outstripped, in real percentage terms, the increase in oil reserves.

352. The OPEC countries were the first to warn the world that a real energy crisis could take place, and they invited the world to pass progressively from the era of hydrocarbons to an era of new and renewable sources of energy.

353. The communiqué issued by the ministerial meeting of the Group of 77 on 22 August 1980 [see A/S-11/19, annex] has dotted the i's and crossed the t's; it emphasized the need to put an end to the critical economic situation the world is experiencing. We must take effective measures to put an end to a situation which endangers mankind, and we must also see to it that the industrialized countries show political will so that we may come to an agreement acceptable to all parties. The obstinate attachment of those countries to the structures of the present world order is hindering any progress and explains the deterioration in the world economic situation, and only worsens the situation in the developing countries. Global responsibility and international solidarity require that the industrialized countries revise their policies and commit themselves to real negotiations during this session in order to reach a new international economic order and in order to implement the Declaration and the Programme of Action on this goal.

354. Implementation of the Programme of Action is the only way to solve the economic problems we face today.

355. Mr. LENIHAN (Ireland): I wish to begin by congratulating our colleague, Ambassador Salim, on his assumption of the high office of President of this eleventh special session of the United Nations General Assembly. My delegation will be happy to co-operate in every possible way to further the work of this session and to ensure a successful outcome. Ambassador Salim's country, the United Republic of Tanzania, has shown that national independence is much more than a flag or a seat in this Assembly, that the process of development is much more than the accumulation of statistics about economic growth factors and that the pursuit of progress does not involve the sacrifice of essential cultural and traditional values.

356. I should also like at this stage to say what great pleasure it gives me—and from the reception given to him I should say that this applies to all Members—to welcome Mr. Robert Mugabe here, and to welcome his country, Zimbabwe, as a Member of the United Nations. In endorsing the sentiments that many have expressed before me, I should like to express the conviction that Zimbabwe's participation in the deliberations and decisions of the United Nations will indeed prove to be a contribution commensurate with the achievement that the independence of Zimbabwe signifies for the whole world.

357. I should like also to refer to the statement delivered on behalf of the European Community and its member States by the President of its Council of Ministers, Mr. Thorn [see 3rd meeting, paras. 50-88], and to say that we fully subscribe to the views he expressed as President of that Council.

358. The background of our meetings today and in the days ahead poses very difficult and serious problems. When it was decided three years ago to hold this special session of the General Assembly, the objective was that it should discharge a two-fold task: first, it should review the progress that has been made in recent years towards the establishment of a new international economic order and, secondly, it should look to the future

and decide what further steps are needed to speed up that progress, to improve international economic co-operation, and to strengthen the global economic system and to make it more responsive to the needs of all. More specifically, this Assembly session was charged with the adoption of the new international development strategy for the 1980s and, subsequently, with the launching of a new round of global negotiations on international co-operation for development. The hope then was that this task could be accomplished in circumstances that would permit us to make an optimistic assessment of our economic prospects for the decade ahead. However, the economic realities of the world in 1980—and we must be honest in our assessment of matters—offer little comfort to either the developing or the developed countries. In the immediate future at least, let us face it, the prospects are not encouraging. These realities cannot be obscured or ignored in any way. Our hopes and aspirations for the coming decade, no less than our plans and programmes, must be based, above all else, if we are to be honest with ourselves and not to hold wrong expectations, on a realistic assessment of likely trends in the 1980s. Only in this way can we ensure that our actions to attain the goals of the North-South dialogue are well-founded and will prove to be relatively successful within the context of what we can achieve.

359. It must be admitted that the record of the dialogue to date is a mixed one. There have been successes as well as failures and disappointments. But over all we can at least agree that a useful basis has now been laid for future work, and that is the important matter: the very fact that we are meeting here at this time to lay the basis for the work which we all agree must be done to achieve our objectives. The perceptions and understandings that have emerged in the course of our long hours of discussions and negotiations in recent years provide a framework that will, we hope, enable the dialogue to enter a more practical phase in future years—and my emphasis is on the word practical.

360. Here too the role of this special session of the Assembly must be emphasized. I believe that the time has come for a new departure in the relationship between developed and developing countries. The time for unnecessary rhetoric is past. Let all of us, whatever category we may have been in in the past, recognize that now and in the future it is important to ensure that our work here makes for a transition to a new phase, a phase marked by an open and frank approach, to be followed by realistic and practical planning, both short-term and long-term, for future co-operation in the overall task—which will be to the benefit of all of us—of restructuring world economic relations.

361. This Assembly does not need to be reminded of the scale of these enormous tasks. After almost a decade of continuing strains and difficulties, the world economy remains in a state of serious recession: that is the fact of the situation at the moment. The events of the 1970s brought about a sharp reversal of earlier trends, which had seen world production grow at an average rate of 5 per cent per year, and *per capita* income increase at an annual rate of approximately 3 per cent. This enormous economic upswing in the 1970s was in large part the outcome of freer trade conditions, which led to a huge expansion in world trade between 1948 and 1973. In that period alone, world trade grew almost 50 per cent faster than world production.

362. In the early 1970s, however, despite the apparent upward draft, the danger signals were there: rising inflation, falling investment levels and a disturbed monetary

situation had already led to slower growth when the first sudden sharp rise in oil prices occurred in late 1973. Since then, uncertainty concerning energy supplies and prices has prevailed, with consequent ill effects on the world economy. Overall growth has seriously declined and the external deficits of the developed and the non-oil-producing developing countries have risen enormously. More recent sharp increases in oil prices have further exacerbated this situation. However, to some extent I agree with some of the remarks made by my colleague from the Libyan Arab Jamahiriya who spoke just before me.

363. It would be quite wrong to say that the oil price increases have been the sole cause of the worsening situation. Nonetheless, we must face the fact that the uncertainties surrounding energy have clearly been a major factor contributing to the difficulties faced in the economic sphere. It is obvious that if we are to reverse the negative trends of recent years and bring about improvements, these uncertainties will have to be removed. My Government is therefore pleased that this reality has been recognized and that the proposed new round of global negotiations on economic co-operation will include the question of energy on its agenda. We hope that this important step will enable the international community to achieve three major objectives: greater predictability of supply and prices of energy, more effective energy conservation measures, and a smooth transition to a less oil-dependent world economy.

364. There have been several important suggestions and proposals recently to promote international co-operation in the energy field, all of which deserve the closest attention and examination. Because it is such a key factor in the economic growth and development of all countries, energy will undoubtedly remain a major preoccupation in international relations for the foreseeable future. It is important here—and here both the developed and the developing countries make common cause and have a common interest—that the overall dialogue on this subject should be conducted in a frank and open manner recognizing the interests of all, should include all aspects of the energy question, and should lead to results of benefit to producers and consumers alike in the interests of all countries. In this connexion, the United Nations Conference on New and Renewable Sources of Energy to be held in Nairobi next year will be a significant and positive element in that dialogue, which it is hoped will result in a wise measure of agreement to the benefit of development everywhere, but especially in the poorer developing countries.

365. Other areas of international economic co-operation will require no less urgent attention in the coming decade if we are to move as quickly as possible not only towards an efficiently functioning world economy but also towards the balanced and equitable global economic order the international community set its sights on in the 1970s. One could argue at length about the progress that has been made to date—or the lack of it—but such debates at this stage are not likely to prove fruitful and, in my view, would be counter-productive. Rather we should recognize now that a start has been made on a wide range of significant issues, in many of which there was urgent need for reform and improvement, and that we should now build on that start and make real and rapid progress during the years ahead, and to some extent forget about the often divisive language of the past.

366. Because of our own recent developmental experience, we in Ireland recognize the crucial importance of

favourable external conditions for real expansion and growth in each country's national economy. That is why we have always accepted the greatest possible expansion of open trading at regional and global levels, taking due account of all legitimate interests. That is also why we subscribe fully to the declaration made by the Organization for Economic Co-operation and Development (OECD) Ministerial Council last June on maintaining and improving the open and multilateral trading system, strengthening trade relations with the developing countries and avoiding restrictive measures in the trade field.

367. It is, of course, in the field of trade that the interdependent nature of today's world is most clearly seen. Ireland, as a member of the European Community, is fully aware of the mutual benefits derived from the continuing expansion of trade between the Community and the developing countries. The second Lomé Convention will further facilitate that expansion. But much more remains to be done at a global level so that the process of integrating the developing countries as fully as possible into world trade can be speeded up. In this connexion, I join with others in urging all developing countries to participate fully in the mechanisms set up by the multilateral trade negotiations. The best way for the developing countries to defend their interests and stake their legitimate claims is to participate actively in the multilateral trade negotiation codes.

368. I do not need here to stress the importance of commodities for the export earnings of developing countries. Suffice it to say that Ireland welcomes the recent successful conclusion of work on the articles of the Common Fund under the auspices of UNCTAD. It has been a long haul since Nairobi, but let us now, encouraged by that success and in the spirit of practical co-operation, which I hope will be a feature of our dialogue in the 1980s, proceed urgently with work on other elements of the Integrated Programme for Commodities.

369. A favourable trading environment is, however, of little benefit if a country is unable to take advantage of the opportunities thus provided because of its low level of development, and this I freely acknowledge. Unfortunately, in spite of the improved position of the developing countries taken as a whole in the past decade, many still remain in a state of chronic underdevelopment, especially the least developed among them. The President of Bangladesh emphasized this factor to us a few days ago [*3rd meeting, paras. 2-46*]. The problems faced by those countries are quite staggering by any analysis and it is abundantly clear that only a major effort by those countries themselves, backed up by substantial help from external sources, can prevent a further slide into stagnation with consequent catastrophic results for their peoples and indeed, in that respect, for all of us. Time is not on our side in this area. Urgent action is called for to prevent further deterioration. Longer-term action will be needed to provide recovery treatment and to bring about the conditions necessary for their rapid growth. All of us have a legitimate interest in bringing this about, because no country today can shut itself away from social and economic problems elsewhere in the world, problems which, because of their very nature, affect in some ways and in many ways the lives of all of us; problems which, because of their scale, are directly linked with the survival of mankind on this planet.

370. Each country naturally carries the prime responsibility for its own development. But whether we are large or small, rich or poor, each of us knows that in

today's world—and very likely even more in the world of tomorrow—we cannot on our own do all that is required to cater adequately for the needs of our peoples.

371. I am reminded here of an old Irish proverb, which is to the effect that we live in each other's shadow, meaning, in effect, that we depend on each other for survival. This seems to me to summarize the kind of world in which we live today, where we have come to depend on each other for our well-being and indeed for our survival. So we have witnessed more and more in our own time, throughout the world, neighbouring groups of countries often putting aside feelings of enmity and hostility going back over many centuries and coming together today, in the recent past, and it is to be hoped even more in the future, together to share their hopes and dreams, their needs and burdens, their resources and efforts for the good of all. The fact that adjacent countries should come together in a spirit of mutual co-operation and seek joint solutions to common problems can, in my view, be a major force in promoting rapid development, and the growing tendency towards such co-operation throughout the world should be welcomed and encouraged. Regional co-operation by nations adjacent to each other and sharing the same problems is, in my view, one of the practical achievements that can move us towards a more progressive world order. While all forms of co-operation among neighbouring countries are further strengthened, it is only logical and sensible, once they develop on a regional basis, that they should extend further on a world-wide basis. But the idea of regional co-operation among countries with common interests moving together first in a spirit of co-operation and then moving gradually from a regional order to a world order seems to me a very natural progression.

372. In seeking to achieve this we can only succeed, of course to the extent that those most in need get the special attention they require. The poorer countries must for as long as it is necessary be provided with the help they need to help themselves. The richer, stronger, more advanced economies and others in a position to do so must be prepared to do all they can to step up their efforts to strengthen existing programmes and indeed initiate new ones, so that a sustained and comprehensive effort will be made to remove what has been called the great blanket of poverty which stretches across the globe. Only then can the benefits of global co-operation become a reality for all.

373. A major priority must be the alleviation of the financial crisis which now casts a terrible shadow over much of the third world. The total external debt burden of developing countries is now not far off \$400 billion, and we would be living in a fantasy world were we to ignore the staggering implications of that figure. Not only are the future growth prospects of the developing countries severely threatened, but in many instances basic stability may be affected. In the wider context, this has serious implications for international monetary stability, international trade and investments generally. In short, it affects the economic life of the whole globe, and one cannot see how any kind of security and confidence can be restored until this situation is taken account of. Opinions will vary, of course, on how best to deal with the problem. The financial problems of individual countries will continue to receive attention, but it seems to me that the general overall financial situation of the developing countries must receive priority attention as a matter of imperative urgency.

374. There is a growing appreciation that the role of developing countries in international financial and monetary affairs does not adequately reflect their contribution to the world economy. It is felt further that their interests and needs are not sufficiently catered to at present. These are serious concerns which must not and cannot be ignored. The dialogue, therefore, must take account of these concerns and respond in such a way as will be of benefit to all.

375. In this context, recycling is also an issue which must be tackled if conditions for stable growth are to be restored and maintained. A solution to the whole issue of recycling is therefore essential, and to be effective should take account of the interests of all countries. An examination of monetary and financial institutions, both public and private, in order to achieve a more effective recycling of funds for the benefit of all is an imperative necessity at the present time.

376. Time does not permit me to deal with all the other matters affecting the economic prospects of the developing countries in the years ahead which will be considered at this special session of the Assembly. Nevertheless, I should like to stress at this point that I am impressed by document A/S-11/2 (Part III), whose annex embodies the draft of the new development strategy for the 1980s. Some important matters in that document have yet to be finally agreed on, but this does not prevent me—at any rate I am sure that there will be general agreement on this—from welcoming the new strategy which reflects many of the hopes and aspirations of the developing countries, and indeed I should like to emphasize again, of all countries for the decade ahead. The new strategy clearly demonstrates how far we have come in our understanding of development issues, in our appreciation of the complexities and problems involved and in our approach to solutions to these problems in a comparatively short span of time. We have made progress in our realization of the problem and the fact that it must be faced up to.

377. All of us are aware of the importance of maintaining a broad balance between the various sectors of the economy in any meaningful programme of national development. Here, as elsewhere, developing countries face acute problems. As regards industrialization, the situation is not of course a satisfactory one. Progress towards the goals envisaged at the Second General Conference of UNIDO held at Lima five years ago has been slow and uneven, and let us be frank in admitting that. I am convinced that the acceleration of industrialization in the developing countries is essential and will help to strengthen the world economy itself, again showing the interdependence of interests between the developed and the developing world.

378. Despite the slow progress heretofore in the area of industrialization, a sound basis for rapid improvement now exists. We in Ireland have ourselves had a recent industrialization development, and we fully appreciate the importance of this sector in regard to employment for all developing countries. Bilaterally and through the European Community, we are endeavouring to ensure that co-operation continues to evolve so as to meet the growing industrial needs of developing countries. The role of the United Nations system itself is involved, and that system is now in a much stronger position to help to promote industrialization in developing countries. Last year's agreement on the new UNIDO Constitution⁸ should further strengthen this role, as will

⁸Adopted on 8 April 1979 at the second session of the United Nations Conference on the Establishment of the United Nations Industrial Development Organization as a Specialized Agency.

our work in such areas as the transfer of technology, restrictive business practices and transnational corporations.

379. However, the need to industrialize must in no way deflect our attention from the food and agricultural sector which in the past, in my view, has not always received the attention that it deserves. I am happy to see that in the current strategy due attention is given to this vital area. At the same time, when we are becoming acutely aware of resource limitations in so many areas, we must remind ourselves of the essential need to protect and promote our planet's most precious and most basic resource, that is, its ability, its capacity, to grow food so as to meet the requirements of all its peoples. No need is greater in any country in the world than that of feeding its people, and when we look at the statistics of hunger today we are forced to the realization of the depth of our failure throughout the world in this respect. The food requirements of the developing countries are great and growing, and will continue to be pressing, essential and basic. Food aid is vitally important, I agree; and I appreciate the difficult circumstances that make food aid necessary and important. But it is not—and let us face it here—a long-term solution to this basic problem. We cannot then allow this occasion in particular, this very important occasion, to pass without rededicating ourselves to the fight against hunger.

380. Progress has been made in recent years towards building up a strong institutional basis for dealing with the problems of food and agriculture from which both short-term requirements—vast though these are—and long-term needs can be tackled effectively. In this connexion, both the Food and Agriculture Organization of the United Nations and the World Food Council are making useful contributions, and the establishment of the International Fund for Agricultural Development has also been a significant factor in this whole area. Clearly, a momentum and realization are building up, but we must ensure that that momentum continues and that realization is emphasized. It is for this reason that in our own national bilateral aid programme we have given absolute priority to the provision of technical assistance and other aid for the purpose of increasing food and agricultural production in the developing countries with which we are associated. We believe that that is the urgent and important task, and that there is no task more urgent or more important in the developing world and the world as a whole.

381. I have stressed more than once the need to adopt a practical approach to the challenge of development in the decade to come. We face growing needs and rising expectations, and we cannot take any other course but that of realistic and practical planning to establish the foundations for the future. I realize that practical steps cannot be undertaken in the absence of an adequate conceptual framework to give direction to our efforts and provide points of reference. I feel that one of the major features of the dialogue to date has been the gradual emergence of a conceptual framework which should ensure that the operational aspects of North-South co-operation, as well as regional and bilateral co-operation, can be accelerated over the next decade. This process, of course, must continue, and in this respect I pay a tribute to the work of the Independent Commission on International Development Issues, under the chairmanship of former Chancellor Brandt. There has been an exceptional achievement, producing a major work.⁹ They have combined idealism and wisdom to produce a work that is disturbing, challenging and also practical. I have no doubt that it will be very much in the minds of all of us during our deliberations here and, in my view, should be compulsory reading for every human being on this globe. It has, indeed, already made a profound impact on the public mind generally and has succeeded, perhaps, more than any other comparable exercise, in drawing attention to the fundamental issues that lie at the heart of the North-South dialogue.

382. To end, let me stress my hope that the progress we are making towards a new economic order for the world of tomorrow becomes the great driving force of international life generally throughout the next decade. By successfully accomplishing our tasks in respect of the new international development strategy and the launching of a new round of global negotiations, we will have made a major contribution towards that goal, a goal which I believe firmly to be the greatest fundamental historic and, indeed, moral imperative of our time.

The meeting rose at 9 p.m.

⁹*North-South: A program for survival*; report of the Independent Commission on International Development Issues under the chairmanship of Willy Brandt (Cambridge, Massachusetts, The MIT Press, 1980).