

United Nations
**GENERAL
ASSEMBLY**

ELEVENTH SPECIAL SESSION

Official Records



**9th
PLENARY MEETING**

Friday, 29 August 1980,
at 11.05 a.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. Mr. YIMENU (Ethiopia): Sir, it gives my delegation great pleasure and particular satisfaction to see you presiding over this important special session of the General Assembly. Given your strong support for the establishment of better international economic relations based on equity and justice, we have no doubt that you will guide our deliberations to a successful conclusion.

2. It is also with sentiments of joy and pride that I welcome the Republic of Zimbabwe into this family of nations. The membership of Zimbabwe in the United Nations not only brings us closer to the achievement of the universality of our Organization but also attests once again to the inexorable march of history towards the complete liberation of peoples under colonialism.

3. The Government and people of socialist Ethiopia extend their whole-hearted support and co-operation to the brotherly people and Government of the Republic of Zimbabwe in their challenging task of reconstruction and nation-building, as well as the preservation of their hard-won independence, sovereignty and territorial integrity.

4. As we meet here in this special session of the General Assembly to launch the global round of negotiations and adopt the new international development strategy for the third United Nations development decade, the world economy is going through a period of unprecedented uncertainty, characterized by slow growth, high rates of inflation, persistent problems of imbalance in international payments, wild fluctuation of prices of primary commodities, instability of exchange rates and high rates of unemployment.

5. The various restraints imposed on access to the markets of developed countries, the constant decline in the transfer of real resources, the insistence on the preservation of outmoded monetary and financial institutions, the inequitable distribution of international liquidity have all formed formidable barriers giving rise to serious impasses in our development efforts.

6. These obstacles and restraints constitute the major cause for the ever-deepening crisis in the world econ-

omy. Unfortunately, developing countries have been victimized by this state of affairs, and they are made to suffer from the pervasive malaise of the world economic system. In the past seven years alone, owing to unfavourable terms of trade, developing countries have lost about \$80 billion. The adverse effects of this unfavourable international economic situation on the developing countries also account for their current account deficit of \$73 billion and an external debt of \$400 billion in 1979.

7. The international monetary disorder, the deepening of global recession and inflation, the imposition of harsh IMF requirements on the countries least capable of shouldering these burdens have further aggravated the plight of the developing countries. The tragedy of it all is that negotiations to formulate policy measures designed to arrest this situation have so far shown no progress. The developed countries continue to insist on the need to control the institutions and instruments governing international economic relations. The democratization of the decision-making process in international financial and monetary matters has yet to take place. The existing international economic system, including the monetary and financial institutions, still serves the interests of the advanced nations.

8. In the midst of this grim situation and the prevailing world economic crisis, the conditions of the least developed countries should be a matter of utmost concern to the international community. It is sad to see that the heaviest burden of adjustment is being placed on the most vulnerable countries of the world. As is observed in the Secretary-General's report [A/S-11/5], their future is quite bleak. Their economies are virtually on the verge of collapse. As a result of the basic structural constraints and other serious limitations, the least developed countries have been forced out of the mainstream of international economic life. Their production base is too narrow to bring them the benefits of international trade and commerce. Their financial standing is too precarious to qualify them for any borrowing from the international capital market, and their debt burden is so heavy as to leave them with virtually nothing to invest in their development.

9. Surely we cannot speak of a fair and equitable international economic system if the international community is to stand by indifferently while those countries end up in economic and political chaos. Certainly, this scenario calls for bold action by the international community to implement speedily and on a priority basis the immediate action programme set out in resolution 122 (V) of UNCTAD, adopted at UNCTAD's fifth session, held at Manila from 7 May to 3 June 1979.¹

10. The already grim situation of those countries is further aggravated by the energy problem. The least developed countries have found the burden so crushing

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

that they have had to abandon many of their development projects for the simple reason that they are unable to foot the exorbitant bills. We therefore appeal to the international community at large to come forth with generous contributions to mitigate the plight of those countries.

11. The economic and social problems I have outlined demand far-reaching structural changes. As long as the vast majority of mankind lives in squalid misery and abject poverty, the international community should not be satisfied with the adoption of marginal measures to try to solve problems of such a fundamental nature.

12. Indeed, we cannot envisage a solution to the world economic crisis until and unless the developed countries take a political decision to accept and institute fundamental changes in the present economic system. It is against that background that we view the tasks of this Assembly.

13. We find ourselves in the midst of unsatisfactory progress towards the establishment of the new international economic order. The fact that there was no substantial agreement in the preparations for the global round of negotiations and that the progress made in the formulation of the development strategy for the next decade was inadequate is indeed disturbing. My delegation urges the international community to take immediate action so that the international development strategy for the third United Nations development decade and the global round of negotiations can become effective instruments for genuine short-, medium- and long-term solutions to the world economic problem.

14. If approached in a coherent, comprehensive and integrated manner, the global round of negotiations will, we believe, pave the way for the establishment of just and harmonious international economic relations between the developed and the developing countries. It is therefore imperative that agreement be reached on the agenda, time-frame and procedures.

15. As regards the strategy, modest targets have been set for the purpose of ameliorating the situation of the developing countries during the next decade. In this connexion we urge the Assembly to adopt the targets and policy measures proposed by the Group of 77.

16. As we look ahead into the 1980s, we find that emphasis must be given to a number of issues, one of which is the transfer of resources. I say that because the faster growth of developing countries is dependent, *inter alia*, on increased and concessionary financial support. Despite efforts launched within the United Nations system to increase the net flow of resources, actual transfer has fallen far short of expectations. The official development assistance target set by the International Development Strategy for the 1970s has yet to be met. While we note with appreciation the performance of those countries, such as the Netherlands, Norway, Sweden and Denmark, which have surpassed the target of 0.7 per cent of gross national product, we urge others, particularly the richer ones, to make serious efforts to meet their commitment. It is equally imperative for the developed countries and international monetary and financial institutions to refrain from applying non-economic criteria in the allocation and transfer of resources.

17. With regard to easing the debt servicing burdens of developing countries, few creditor nations have thus far cancelled loans owed to them by the world's poorest countries or committed themselves to converting them into grants. A few major creditor nations have yet to announce their plans, while those which have done so

have, regrettably, applied discriminatory measures. We therefore urge the developed countries fully to implement the UNCTAD resolution on official debt cancellation.

18. Based on the principle of collective self-reliance and economic and technical co-operation among developing countries, we in Africa have worked out a plan of action to implement Africa's development strategy for the 1980s. The African strategy gives greater emphasis to the basic needs of its peoples. Taking into account the natural and human resources, as well as the other factors of production that the continent is endowed with, the strategy has as its main objectives self-sufficiency in food, rural development, massive industrialization, strengthening of regional co-operation, expansion of trade and communications, manpower development and progress in science and technology. Increased food production and food security rank top on the list of priorities.

19. This plan of action is the result of a series of technical and ministerial meetings held in Addis Ababa which culminated in the first Economic Summit Conference of the Assembly of Heads of State and Government of the Organization of African Unity, held at Lagos on 28 and 29 April 1980, which in turn adopted the Lagos Plan of Action. Since most of the least-developed countries are in Africa, the Plan of Action emphasizes the special measures which should be taken to assist and stimulate accelerated development in these countries. In this connexion, the request for the establishment of financing facilities to ease the serious payments burden entailed by the rising cost of oil and the creation of a mechanism to guarantee adequate and continuous supply deserves special attention.

20. My delegation, therefore, urges the international community to ensure that the Lagos Plan of Action is fully reflected in the global strategy for the third United Nations development decade.

21. My Government is of the view that the international community should share not only a common vision of the world in which justice and equality prevail but that it should also strive for a world order based on a fair and equitable economic system within each nation. In this regard, my Head of State, Comrade Chairman Mengistu Hael Marian, opening the sixth meeting of the Economic Commission for Africa Conference of Ministers Responsible for Economic Development, held in Addis Ababa from 9 to 12 April 1980, had the following to say:

"Our collective efforts will be fruitless if we cannot fulfil our individual portions as decisive components of the whole. Our efforts on the national level must first and foremost be strong enough to influence changes in the unjust international economic system."

22. Strongly committed to the achievement of economic and social justice at the national level, Ethiopia has carried out fundamental structural changes in all economic and social fields. The present leadership in Ethiopia has created the political environment conducive to accelerated socio-economic development by undertaking far-reaching measures such as an historic land reform, which has radically transformed the lives of the great majority of the Ethiopian people.

23. In a determined effort to reconstruct the national economy, which has been adversely affected by man-made and natural calamities, and to accelerate its development, the revolutionary Government of Ethiopia, in November 1978, established the National Revolutionary

Development Campaign and Central Planning Supreme Council. Two annual development campaign plans have already been prepared and implemented with the full participation of the masses. Considering the magnitude of the problems confronting us, the results so far achieved in our economic development campaign and literacy drive have been both rewarding and encouraging.

24. Furthermore, the recent successful conclusion of the historic First Congress of the Commission to Organize the Party of the Working People of Ethiopia is, indeed, a reflection of the consolidation of the revolutionary victories scored over the last six years and augurs well for future efforts to meet the needs of the broad masses of Ethiopia.

25. However, in a least developed country like Ethiopia, domestic resources and political will alone can hardly sustain or accelerate development. Our problems arising from limited productive capacities and technological backwardness are further compounded by both natural and other calamities. Therefore, to supplement our efforts in development as well as to overcome the effects of drought and other calamities, massive and timely international assistance is needed.

26. At this juncture, my delegation recalls with appreciation and satisfaction the resolutions adopted by the Economic and Social Council of the United Nations at its first and second regular sessions of 1980 which, recognizing the magnitude of our problems in relief and rehabilitation of drought-affected and displaced persons, recommended international assistance to Ethiopia. We hope the required assistance will be forthcoming in time to avert the disastrous consequences of the prevailing grave situation.

27. The record of the economic progress of the developing countries over the last three decades is far from satisfactory. The realization of the high hopes and aspirations of the developing countries for betterment of their situation have become increasingly elusive as the years go by. The lofty aims of the new international economic order have hitherto remained mere declarations of intent. In the view of my delegation, the failure to act is due not to the lack of resources but rather to the absence of political will on the part of those who could give an impetus to the realization of those objectives.

28. The pursuit of meaningful development requires, first and foremost, the prevalence of international peace and security, and the cessation of the arms race. It is, however, regrettable to note that about \$500 billion were squandered on arms in 1979 while millions of people were in danger of dying of hunger. Halting the arms race and thereby releasing the scarce resources for constructive purposes would certainly benefit mankind as a whole.

29. In view of the bleak future that awaits humanity in the 1980s, my delegation strongly believes that this session of the General Assembly has a special duty and responsibility to dissipate the dark clouds that hang over the horizon of the world economy. This session can, therefore, ill afford to adjourn without taking positive and concrete action on the issues before it.

30. Mr. CASTAÑEDA (Mexico) (*interpretation from Spanish*): Sir, my delegation takes particular pleasure in seeing you preside over the discussions of the eleventh special session of the General Assembly. This guarantees—and we welcome this—that our debates will be led with the skill, imagination and impartiality which you have so often shown in the recent past.

Please, Mr. President, accept the warm congratulations of the Mexican delegation.

31. Along with numerous other delegations, we wish also to express the pleasure with which we witness Zimbabwe's entry into this Organization. Rooted in the heroic anti-colonial struggle of its people, Zimbabwe's contribution to the work of the international community will, without a doubt, be highly relevant.

32. In the mid-1970s, with the resolutions of the sixth and seventh special sessions of the General Assembly and with the adoption of the Charter of Economic Rights and Duties of States [*General Assembly resolution 3281 (XXIX)*], the international community began the vast effort of co-operation for development which now brings us together once again. We are brought together by the serious concern shared, I am sure, by all the Members of this Organization, to find effective formulas, concrete measures and effective actions which will allow the decade which is now beginning—the penultimate decade of our century—to witness a victory over the crisis in the international economy, the closing of the gap in the levels of earnings and well-being which tragically divides the advanced countries from the dispossessed nations, and the sustained and accelerated development of the latter along with the re-establishment of balanced economic growth for the former.

33. We are meeting at this special session with a clear and precise mandate: to evaluate the progress made in the establishment of the new international economic order, to proclaim the international development strategy which must be the framework for the efforts of the community of nations for the development and modernization of the third world countries, to launch the global negotiations on international economic co-operation for development, and to adopt certain urgent measures to aid the most severely affected countries, measures which cannot be postponed because they respond to truly urgent needs.

34. These elements of the Assembly's mandate are, it is clear, very closely interrelated. There are dynamic links between them which must be made use of in order to foster understanding and consensus, and not to impede it by placing them rigidly in opposition to each other.

35. The limited and, we must say, discouraging experience of the Second United Nations Development Decade obliges us all the more to make effective advances in the third, in the 1980s. The international strategy which we can now draw up in order to guide and rationalize future co-operative activities may appear to some to be over-ambitious while others may find it insufficient and limited. None the less, in adopting it, we can all make clear what things we should have liked it to include and which were not included in their entirety because we could not achieve consensus on them.

36. On the initiative of the non-aligned movement, later taken up and endorsed by the Group of 77, we shall have to begin at the same time a broad process of negotiations, the most complex thus far proposed by the international community, in order to try and find real remedies for the main symptoms of the crisis in the international economy. These remedies, when they are included and defined, will improve the conceptual framework contained in the strategy and will make it possible to achieve its goals and targets. Within the framework of the strategy and as a part of the global efforts at negotiations, there must be no delay in focus-

ing on the most urgent needs. This has been stressed, with eloquence and conviction, by the most disadvantaged of the developing countries, and it is an appeal which we cannot disregard.

37. During this debate, we have heard different, even divergent, approaches to recent developments in the international economy and to action for the effective establishment of the new order. This decade, which witnessed the adoption by the international community of the basic instruments in which the principles and aims of the new order are laid down, also saw a continuing deterioration in the operation of the world economy and a growing insufficiency and limitation of the results of international co-operation for development. Thus, it saw the emergence of another gap: the gap separating stated intentions and concrete reality.

38. From an analysis of recent experience, instead of subjective conclusions expressed in terms of relative satisfaction or decided disappointment, we should draw objective lessons to guide future efforts.

39. To us the most obvious of these lessons, which is derived from the performance of the international economy during the second half of the 1970s, is that of the growing interdependence of the various segments of the world economy. We cannot consider this interdependence as a mechanical reflection of the relationships of dependence and exploitation built up during the colonial era. We are working to put together a dynamic set of interrelationships which go beyond the dependence and exploitation of the developing countries and which replace them with a just and equitable new international economic order.

40. This lesson shows that no segment of the world economy, whatever the resources available to it and regardless of its economic system, can hope for growth and prosperity if the conditions for growth and prosperity are not present also in the other segments. The economic progress of each group of countries—industrialized market economy countries, socialist countries, developing countries—depends more and more not only on the dynamic impetus generated internally, but also on that which comes from the other groups. In particular the developing countries, the frontiers of the world's human and material resources, will gradually have to become the main generators of growth factors for the world economy as a whole. This crucial fact must be recognized in the international development strategy and must form the basis of the global round of negotiations.

41. The manifestations of the crisis in the international economy—inflation, unemployment, monetary chaos, protectionism and disorder in the field of energy—cannot be overcome for one group of countries and continue for others: they must be eradicated for all, in a consistent and integrated way.

42. In order to break the vicious circle of the crisis, there must be massive transfers to give the developing countries the technical and financial resources which will enable them effectively to take on the role of a centre that will generate dynamic impetus for the growth of the international economy. To that end, the international development strategy will seek to foster the sustained and accelerated growth of the developing countries. Therefore, in the round of global negotiations it is imperative to correct the imbalances in the functioning of the world economy which now prevent those same countries from making their vital contribution to an expanding world economy.

43. Action at the world level, which presupposes co-operation among all countries, the advanced countries, the socialist countries and the developing countries, is complementary to the increasingly diversified and growing economic co-operation among us, the developing countries. The Latin American Economic System (SELA), as a co-ordinating body and machinery for regional co-operation, is a forum which has its counterpart in other regions of the developing world, in Africa and Asia. The strengthening of this South-South co-operation is both a prerequisite for and a necessary complement to North-South co-operation.

44. The reports submitted to this special session of the General Assembly by the Chairmen of the Preparatory Committee for the New International Development Strategy [A/S-11/2 (Part III)] and the Committee of the Whole Established under General Assembly Resolution 32/174 [A/S-11/1 (Part IV) and Corr. I], which are responsible for preparing for the round of global negotiations, contain a strong appeal for understanding and imagination. It is inconceivable, as the representative of Pakistan, the chairman of the Preparatory Committee, stated [see 2nd meeting, paras. 33-57], that when we adopt the new international development strategy, we should be unable to define the frame of reference for our future activities. It is imperative, as was pointed out by the Chairman of the Committee of the Whole [see 2nd meeting, paras. 6-31], that we should find formulas for the practical problems to be discussed in the global negotiations and the procedures to deal with them.

45. In both exercises, the same issues will have to be considered with the approach, scope and objectives proper to each: to ensure the stable operation of the international commodity markets, which would provide increasing real income for the exporting countries; how to organize the complex process of transition from a world economy based on use and often waste of the most rapidly depleting energy sources to an economy that will be increasingly based on new and renewable energy sources; how to ensure increasingly free access to world markets for the manufactures exported by the developing countries; how to promote an internationally better balanced pattern for industrial activities; how to regulate the increasingly diversified and complex activities of transnational corporations in order to ensure they make a positive contribution to development; what procedures to adopt to ensure that the technology that would give real impetus to the industrialization process of the developing countries is transferred to them; how to rationalize international monetary operations and overcome the uncertainty, disorder and adjustment processes which call for the sacrifice of development itself; how to ensure that the financial resources are transferred on proper conditions and terms and in sufficient quantity to the developing countries, where they can help generate an internal growth dynamic that would be of benefit to the entire world economy; and lastly, how to transform the international institutions set up immediately after the War to meet the economic realities of the last 20 years of this century. All these questions cannot be answered in a single day. These are questions which call for complex and probably lengthy negotiations. In sum, these are long-term issues and it is imperative to start finding answers to them now.

46. The international community now has better instruments with which to find answers to these questions. In the United Nations, through the contributions of Member countries, particularly the Group of 77, and the Secretariat, a wealth of studies,

statements and proposals has been amassed. Independent contributions are also highly relevant. Among those we could mention the work of the group of experts convened on the initiative of the Heads of Government of the Commonwealth and, more recently *North-South: A program for survival*, the report of the Independent Commission on International Development Issues presided over by Mr. Willy Brandt.² We must find formulas which will permit a thorough discussion of these and other ideas and extract from them any positive contributions to the global negotiations within the United Nations.

47. When the General Assembly, a year ago, was considering the urgency of beginning the complex process of global negotiations, it was also receiving far-reaching proposals on various matters connected with the negotiations. Those proposals attracted so much attention and aroused so much interest among delegations that they strongly influenced discussions related, on the one hand, to the drafting of the international development strategy, and, on the other, to preparations for the round of global negotiations.

48. Mexico, which presented a proposal for a world energy plan through President José López Portillo, has been gratified to note that the basic content of the proposal is reflected in the letter and the spirit of the paragraphs on energy in the consolidated text [A/S-11/2 (Part III), annex] which emerged from the discussions in the Preparatory Committee for the New International Development Strategy, the negotiation of which is to be completed during this special session of the General Assembly. And we find it highly satisfactory that the relevant parts of the proposal of the Group of 77 regarding the agenda, procedures and time-frame are fully compatible with the aims, the approach and the basic content of the Mexican energy proposal.

49. Practical action has already been taken as a result of those proposals. In this connexion, I may mention the recent decision taken by the Governments of Venezuela and Mexico to establish a programme of energy co-operation for the countries of Central America and the Caribbean, aimed at meeting the imported oil requirements of the countries of the area. The financial scheme included in the programme makes it possible for those countries to defer the payment of 30 per cent of their oil costs for a five-year period, at favourable interest rates. If the resources thus freed are intended for the development of long-term projects in the energy sectors of the beneficiary countries, the credit period may be extended for 20 years at an even lower interest rate. This co-operation programme, put into operation at the beginning of August 1980 by the Presidents of Venezuela and Mexico, is an example of the kind of activity which should proliferate in this and other sectors in the future.

50. When they are adopted, the initiatives of the members of the Organization of Petroleum Exporting Countries, including the proposal for a long-term strategy to govern relations with the developing countries and the advanced countries, will make a considerable contribution to the collective efforts of the international community in undertaking the global round of negotiations.

51. It is important to ensure that there should be sufficient opportunity for consideration and discussion of all these proposals and contributions in the global round of

negotiations, in accordance with the agenda and the procedures to be agreed on for those discussions.

52. When we begin a promising and important process we often hear that this is a unique and possibly the final opportunity. Such a statement under these circumstances would not be a matter of mere rhetoric, because it is difficult to underestimate the serious consequences that might arise if this special session of the General Assembly were to end not in agreement but in discord and confrontation.

53. Such a failure would, without a doubt, put an end to the possibilities of dialogue at a time when they are most necessary; it would shut off any opportunity for understanding and joint action at a time when these are the only way to make progress towards meeting and dealing with the crisis, and the atmosphere of international relations would thus deteriorate at a time when it is essential for them to improve in order to broaden the prospects for co-operation and peace. It would rule out any chance of success in the efforts already under way, designed to rouse the political will of States, expressed at the highest level, and to generate additional contributions for world understanding. Without those efforts it is difficult to see how the main obstacles that have prevented and are preventing changes in the present system of international economic relations could be removed.

54. In the statements in this debate and in consultations with other delegations, we have found a clear intention that effective progress should be made towards the agreements expected of this Assembly. We must strive to draw from this positive attitude the understandings, agreements and resolutions that we have met to work out.

55. Mr. NYIRENDA (Zambia): My delegation congratulates you, Sir, on your well-deserved election to the presidency of this important special session. We pledge our full co-operation with you.

56. I know, Mr. President, that when I describe this special session as a doubly momentous one I fully reflect your personal sentiments. Last Monday [1st meeting], destiny honoured you by making you the instrument for the admission of Zimbabwe to this august body, and on Tuesday, [4th meeting] you and the Secretary-General were principal witnesses in the drama of the formal accession and pledge of that young State to the Charter of our world body. How fitting—and maybe even paradoxical—that you, Mr. President, who have been a stalwart fighter against the minority racist régimes of southern Africa should have been ordained by destiny to play these important roles, roles that you fully deserve because of the tenacity of your dedication to the liberation of mankind.

57. The admission of Zimbabwe to the United Nations is for us in Zambia a highly felicitous occasion. This is not the occasion for us to elaborate on the arduous Calvary suffered by the heroic people of Zimbabwe in claiming what was their birthright. Nor is it the time to remind this Assembly of the high price in blood that the people of Zimbabwe have had to pay for the right to be free. Nay, it is the time to rejoice with them and their martyrs that their fight was not in vain. It is also a time for this world body, other international organizations, countries and all individuals who did so much to support the cause of the patriots to rededicate themselves to ensure that the promise that has been delivered is nurtured to maturity.

58. Zimbabwe is off to a good start, a start that must make us all proud and grateful that the very principles for which this body was founded are finding full expres-

²Cambridge, Massachusetts, The MIT Press, 1980.

sion in the statecraft of that young nation. It is barely four months since Zimbabwe was born, but the story of its determination to forget the past and to forge a new relationship among all its peoples, a relationship based on the inalienable right of them all to a full and purposeful life, is a story of hope that is already being chronicled many times over. Let that message spread a thousand times over, for here is a young nation, the youngest of all, struggling, in spite of the odds and the bigotry of some, to embody a message of hope for mankind.

59. We wish Zimbabwe God's blessings as its people launch themselves on the difficult task of national reconstruction. We are certain—indeed, we know—that, under Prime Minister Robert Mugabe, Zimbabwe will emerge as a strong nation and an asset to the peace and prosperity of the world. Now is the time for all good men to join hands with this young State and give it the economic tools with which to forge its future. Prime Minister Mugabe's appeal for assistance should not go unheeded; nor should his offer of a hand of friendship to all the nations of this world.

60. The proclamation of the New International Economic Order by the General Assembly some six years ago [see resolution 3201 (S-VI)] kindled great hope and expectations, particularly in the hearts of the developing countries. For before that time, four years into the Second Development Decade, it seemed that that Decade, like the Development Decade before it, would be yet another affirmation of the inability of the world to develop in harmony.

61. The developing countries which had acquired independence in the 1960s in the full expectation and hope of economic reconstruction had become frustrated by the failure of their efforts to develop. But the more they put into that effort the less they got out. Far from political independence spurring development, those countries found themselves unable to grow and that their indebtedness to the developed world had increased. On top of all that had come the failure of the international monetary system, inflation and high oil prices.

62. It was against that background of deepening gloom and frustration that the developing countries hailed the promulgation of the New International Economic Order, for it had become clear that without a drastic reordering of the pattern of economic and financial relationships prevailing in the world, they would continue to struggle hopelessly against deepening poverty with the dice loaded heavily against them.

63. Six years after the proclamation of that new economic order, the hopes and expectations kindled by it remain largely unfulfilled. The gap between the rich and the poor has widened in geometrical proportions. Hunger, once an unacceptable phenomenon, has established itself as the silent monarch of the poor as their access to food diminishes through continued erosion of their purchasing power. People have died and will continue to die, not because there are no food surpluses elsewhere in the world but because they do not have the resources with which to buy them. To the monumental problems of food production and distribution is now added the problem of balance of payments, making it impossible to achieve any meaningful global food security strategy. In spite of the commendable efforts of the World Food Council, FAO and other multilateral and bilateral donors, there are today 450 million wretchedly poor and starving people. There are more, and not less, than there were 10 years ago. By the turn of the century, they will number more than 600 million.

64. I do not need to remind delegations of the sharp rise in armaments production over the same six years and of the blow that it has dealt disarmament. The consequences of maximum resource allocation for armaments are clearly serious for the world economy. They are even more so when they affect aid, as they invariably do.

65. In the financial and monetary field, decisions that affect everyone continue to be made outside the framework of an integrated approach, with the consequence that, although the Bretton Woods agreements are dead, their obsolescence reigns unfettered with all its irrelevance to the real needs of the world economic system, and to the needs of the developing countries in particular.

66. In the field of energy, the story is basically the same. It is the story of the human race still refusing to understand, or even to believe, that the traditional energy resources are finite, and that conservation will help but that ultimately, unless efforts at prospecting further and at achieving greater inventiveness are redoubled, humanity is on a collision course with an energy-less civilization.

67. With respect to aid, and not even allowing for inflation, it is a fact that the absolute volume of aid is not significantly higher than it was six years ago. The fight against inflation and the tight control over expenditures in the developed countries have become ready excuses for reducing aid drastically even as the armaments industries in those countries burgeon. There is less commitment to the ethic of aid now than there was six years ago, and it is obvious that, in spite of platitudinous statements, there will be even less aid forthcoming in the future.

68. The developing countries are deeper in debt today than ever before. Inflation in the industrialized countries has undermined the resilience of their economies. Shortages jeopardizing the very right of their peoples to life itself are becoming a commonplace. Against this background, net capital inflows are declining drastically. The international monetary and financial institutions, which are their only possible source of reasonably priced funds, are not exhibiting sufficient imaginative flexibility to accommodate them. Whether it is IMF or the World Bank, the basic prescription is the same—they must cut their budgets even where there is nothing further to cut. For them, growth continues to be an impossibility and extinction becomes a dire possibility. To be sure, some changes are on the horizon, but the rumble is greater than the action and it is obvious that there is little readiness to do more than undergo cosmetic surgery.

69. Given the high level of indebtedness in the current accounts of most of these countries, the commercial banks, which have stood some of them in good stead in the past, are unlikely to continue doing so. Besides, commercial loans, because of the inept management of the economy of the world by its leaders, are now clearly beyond their means. There has been much positive talk of late of the looming crisis in the poor countries, which are perishing in the midst of plenty. According to this highly commendable thesis, the \$110 billion surpluses that the members of the Organization of Petroleum Exporting Countries (OPEC) will accumulate by the year's end need to be recycled and made available to the poor countries for immediate balance of payments support and development. But such a recycling would benefit only the rich countries unless an international mechanism for the subsidization of borrowing rates is part and parcel of the package. There is little, if any,

talk about such a mechanism. There is even less talk about the idea floated by the Brandt Commission and elaborated by the Commonwealth group of experts concerning a world development fund.

70. Negotiations on the Integrated Programme for Commodities continue to drag on and there is little hope of agreement, even through exhaustion. Mutual congratulations have been proffered and taken over the success achieved in the launching of the Common Fund for Commodities. There are many ways of skinning a cat. One way is to establish a fund for the financing of commodity agreements, but to do nothing about reaching agreement on the commodities to be integrated in the scheme.

71. And what of the liberalization of trade and the removal of protectionism? We are no closer to solid agreement today than we were six years ago. There is nothing surer to dash hope than falsely raising it.

72. The problem about the New International Economic Order, as we see it, is not that it does not make sense or add up. On the contrary, it is eminently and compellingly sensible. Its problem is two-fold. First, it suffers from the close association of its genesis with the so-called oil crisis; and, secondly, it needs extraordinary political will if it is to be implemented.

73. With respect to the first point, the idea of an internationally agreed economic order was, unfortunately, seen by some as exclusively an instrument for bringing future oil price increases under the surveillance of a world order. The fact that those price hikes were themselves in response to, and not a cause of, a deteriorating world economic situation was conveniently forgotten. So when it became clear that no action would contain the situation, the idea of an international economic order ceased to hold any further interest. The point to remember, however, is that the very same causes that gave rise to the necessity for a new economic order in the sphere of oil continue to be as relevant to other commodities today as they were to oil then. As long as efforts to stabilize and rationalize the world monetary and financial situation continue to be unsuccessful, as long as inflation continues to escalate and as long as the earnings of the primary producers of commodities continue to be insecure, the elements for instability will remain, as will also the potential for other forms of action by these producers.

74. The developing world holds an important key to the future raw materials resources of the world. Those resources must be used for the good of all mankind. But that will not be so in a régime of unjust trading practices. We have to remember that independent Governments the world over are beginning to assert their right to the ownership of those resources. The material resources of Namibia may be available to the industrial world today under the racist minority régime of South Africa, the vast mineral and other natural resources of South Africa are freely available to those countries today, but there is no guarantee that that will be the case when control of these resources is transferred to their legitimate owners, unless there is justice in the pattern of trade.

75. What I am saying is that time is long overdue for progress on the task to which we dedicated ourselves six years ago to usher in the New International Economic Order. We believe that the need for early agreement is now more appreciated than ever before. We believe that there is a general acceptance of the fact that the immediate, insurmountable and pressing problems with which the developing countries are now faced would not have been so severe had action on the New International

Economic Order been taken before now. The Secretary-General has, both in his address at the opening of this special session [*1st meeting, paras. 35-91*] and in his earlier address to the Economic and Social Council,³ warned the international community about the dangers of failure of the negotiations.

76. Even some developed countries have openly admitted that the present economic order, instituted after the Second World War, is in disarray and no longer performs satisfactorily even for the countries that originally designed it. The fact that things must change has become universally accepted. The question, then, is why, in spite of this overwhelming realization, we continue to make little progress.

77. We believe that the answer to that question lies in what the Secretary-General has described as the necessity for political commitment. I should like to add yet one more appeal to the many that have been made in respect of political commitment on the part of developed countries. More than at any other point in its history the world today is truly one world. Implied in that felicitous conjunction of events is the fact that it can no longer survive or perish except as one. The days when a Julius Caesar could be prosperous only at the expense of England are gone. The modern Caesar can prosper only if England prospers. Today the feudal overlord would only be diminishing his chances for growth if he exploited the serfs. Telescoping history and forgetting for the moment the slave trader, the colonial imperialist and other bywords of exploitation, the modern transnational corporation will not thrive for long if a spirit of *quid pro quo* does not exist between it and the suppliers of raw materials, which also constitute an important segment of its market.

78. The developed and the developing countries are now more than ever before, like drowning swimmers, bound together by a common purpose to survive and by a common umbilical cord. Short of cutting that umbilical cord, neither of them can long survive if the other sinks. So, as we address ourselves to the serious task of negotiating the new international development strategy and agreeing on the launching of the global negotiations within the framework of that strategy, let us not lose sight of the fact that those negotiations are not between the developed and the developing world or, indeed, between the North and the South; they are between the human race as a whole on the one hand, and fate on the other. That being so, it is crucial that the global negotiations be conducted within the framework of the United Nations system, without prejudice to the role of the various specialized forums, as this is the only universal medium which, on the basis that what touches all must be decided by all, will provide all participants with an opportunity for direct influence. It is our hope that the global negotiations to be launched at this special session will deal with the agreed issues of raw materials, energy, trade, development, and money and finance in an integrated manner, as past experience has clearly demonstrated the need for dealing with all the components of the new economic order in this integrated and comprehensive manner.

79. It is our further hope that the implementation of the decisions of the negotiations being envisaged will be within the framework of the political decisions to be adopted by the General Assembly. It is my expectation that the global negotiations will provide further impetus and direction to the ongoing negotiations.

³See *Official Records of the Economic and Social Council, 1980, Plenary Meetings, 24th meeting, paras. 7-30.*

80. Lastly, as earlier indicated, there is an urgent need for us to address ourselves to the immediate and pressing problems of the least developed countries, and others most seriously affected by the present economic crisis. Speaking for my continent, which contains the largest number of countries most seriously affected by the present situation, I should like to express our gratitude to the Secretary-General for highlighting the special plight in which our countries find themselves. We express confidence that his appeal for special and urgent measures [see *A/S-11/5/Add.1*] will be heeded by the international community and that a practical response will be forthcoming at the earliest opportunity. We are ready and willing to participate fully in the implementation of a new international economic order which will, in the long run, improve the lot of mankind as a whole. But, in the short term, we need assistance to survive. Although the long-term measures on which we hope to agree now will minimize the incidence of short-term crises in future, it is a reality that, unless the present problems facing the poor countries can be alleviated, their participation in a longer-term programme cannot be guaranteed.

81. For its part, Africa is taking seriously the message of collective self-reliance, which is an important component of the New International Economic Order. We are very clear in our minds that the ultimate solution to our problems lies in intensifying regional co-operation within our continent. In this respect we are clear that, unless trading links between our countries are intensified, there is no strong base for trade with other countries.

82. To that effect, and in association with the Organization of African Unity, as well as with the Economic Commission for Africa, a number of meetings have been held in our own area, including the Southern African Economic Summit of Independent States, held in Lusaka, whose decisions constituted an important input into the Economic Summit Conference of the Assembly of Heads of State and Government of the Organization of African Unity, held on 28 and 29 April 1980 at Lagos, Nigeria. We are grateful to the international community for the interest shown in this new development. It is our hope that, both on the multilateral and the bilateral levels, concrete responses will be forthcoming to our appeals for financial and technical assistance, especially in the transportation and communications fields. Such a response would be a fitting tribute to the Transport and Communications Decade in Africa, which the General Assembly has already adopted.

83. Mr. HOLLAI (Hungary): Sir, allow me to express the satisfaction of the delegation of the Hungarian People's Republic at seeing you presiding over our work at the eleventh special session of the General Assembly. I should like to join other delegations in wishing you success in conducting our deliberations on a subject which is so vital for all of us.

84. May I also take this opportunity whole-heartedly to welcome in our midst the newest State Member of our Organization, the Republic of Zimbabwe. As is known, the entire progressive international community followed with the greatest of attention the fight of the Zimbabwean people for freedom and development, which ultimately led to the independence of that African country. It is noteworthy that Zimbabwe became independent 20 years after the adoption by the United Nations General Assembly of the historic Declaration on the Granting of Independence to Colonial Countries and Peoples [resolution 1514 (XV)]. We sincerely and warmly congratulate the people and leaders of Zimbabwe on this

happy occasion and wish them peace and prosperity. We also pledge our delegation's full co-operation with the representatives of Zimbabwe in all fields of activities in the United Nations system, and generally.

85. The Government of the Hungarian People's Republic is following with great attention the processes of the world economy and the development of international economic relations. Hungary's national and corresponding economic policy and practice, and its openness as a result of the wide range of its contacts with the world economy, make it especially important for us to explore all the possibilities for overall economic co-operation.

86. My Government supported the adoption of the Declaration on the Establishment of a New International Economic Order [*General Assembly resolution 3201 (S-VI)*] and the Charter of Economic Rights and Duties of States [*General Assembly resolution 3281 (XXIX)*]. In its policy and practice it gives effect to the basic principles laid down in those highly important documents. From the outset of their existence, the socialist countries, including my own, have stood for the implementation of the principle of the equality of States in all spheres of international relations, including economic spheres.

87. The Declaration on the Establishment of a New International Economic Order and the Charter of Economic Rights and Duties of States were adopted in a period when efforts to intensify international co-operation, to preserve world peace and security and to avoid a new world war were dominant features of the time. Peace is the greatest asset, but a new world war can be prevented only as a result of collective efforts by all nations. Unfortunately, in the present situation the arms race diverts enormous human and material resources from peaceful construction and hinders the elimination of the existing economic and social inequities. History teaches us that the solution of major problems—including the problems of the world economy as well as the implementation of a wide range of world economic and social development programmes, particularly the rapid development of the countries in need—can be achieved only in conditions of the relaxation of international tension and of all-round co-operation among States with different social systems. For that very reason, the preservation of international peace and security is the highest priority for all nations.

88. The struggle for arms limitation, the achievement of effective disarmament measures and the early implementation of the resolutions adopted by the tenth special session of the General Assembly, devoted to disarmament, are integral parts of the endeavours to achieve the noble goals set forth in the programme. My Government therefore again urges, on this occasion and in this forum, the early implementation of the proposal put forward by the Soviet Union providing for a reduction in the military budgets of the States which are permanent members of the Security Council and of other States with a significant military and economic potential, and the allocation of part of the resources thus released for purposes of accelerating economic growth in the developing countries.

89. The discussions on the establishment of a New International Economic Order and on the economic and social progress of the developing countries acquire real meaning only if proper consideration is given to all the factors and processes which have led to the existing inequities in the world economy and which still continue to exert an influence against progressive changes. In the view of my Government, the documents on a New Inter-

national Economic Order set out correctly the main directions for eliminating inequities, dependence and exploitation in international economic relations. My Government believes that the Programme of Action on the Establishment of a New International Economic Order [*General Assembly resolution 3202 (S-VI)*] and other important documents provide a significant basis for restructuring the existing pattern of international economic relations. The summit conferences of the non-aligned countries and the ministerial meetings of developing countries, as well as other forums, have assessed the character of the factors and tendencies at work in the world economy. They have emphasized time and again that the limitation of monopoly capitalist relations and the creation of conditions favourable to national sovereignty and independence are elements essential to the implementation of the general principles of the New International Economic Order. We, for our part, consistently support this course of action and will do our best to help achieve these objectives.

90. However, this process is extremely complex because international economic relations themselves—interwoven with political, military-strategic, socio-economic and other factors—often seem on the surface to be something different from what they actually are. Any programme of action should therefore focus the attention of international organizations on the real tendencies and factors that hinder the restructuring and broadening of international economic relations.

91. The Government of the Hungarian People's Republic believes that the elaboration of programmes capable of implementing the basic principles of the New International Economic Order will be possible only if a complex approach is taken to international political and economic relations. Due regard should be paid to similarities and differences, to peculiarities and disparities among countries concerning their natural endowments, social and economic conditions and levels of development and the degree and nature of their differing interests and possibilities, in finding solutions to international political and economic problems.

92. My Government is aware that what has been done so far for the attainment of a New International Economic Order is not satisfactory. We are of the view that one of the reasons lies in the fact that some essential elements of the Programme of Action on the Establishment of a New International Economic Order have not been given the attention they deserve. Thus, for instance, little is said of the necessity for far-reaching fundamental socio-economic changes or of the possibilities inherent in the strengthening of the public and co-operative sectors, which are indeed vital to real economic growth and to general and rapid improvement of living standards in the developing countries as well. Nor is sufficient emphasis laid on the necessity for increasing and deepening relations among countries having different economic and social systems, though the beneficial effects of doing so would have a favourable impact on the economic progress of developing countries. It is therefore one of our major tasks to restore a proper balance of emphases among the components of a New International Economic Order.

93. My Government holds that, in the process of restructuring international economic relations and establishing a New International Economic Order, the thesis of the so-called equal and universal responsibility of the international community is unacceptable. That contention ignores the truth, leaves aside the historical, political, social and economic peculiarities and development levels of the respective countries, and arbitrarily puts

States into the group of so-called developed countries regardless of their role in, and their responsibility for, the present realities of economic backwardness and existing inequities.

94. To make the point clearer, perhaps it would be useful to cite some facts. First, the operational profit gained by countries of the Development Assistance Committee from their direct investments in developing countries almost equals the amount of their official development assistance, not to mention other income, gains and unilateral advantages deriving from their relations inherent in the very system of the market economy. Secondly, in the early 1970s transnational corporations controlled between 75 and 90 per cent of mineral ore and metal resources, 30 to 40 per cent of agricultural raw materials, and 40 per cent of food exports originating in the developing countries.

95. In the light of the aforementioned facts, any attempt to compare the aid performance of the socialist countries with that of the capitalist countries can only be considered a simple manoeuvre to blame the socialist countries while those that enjoy the advantages of the present inequalities continue to draw on the resources of the poor.

96. Nevertheless we share the view that no group of countries or even a single country can remain indifferent to the development of international economic relations. We are convinced that all States should take part in determining the main lines of development as well as in the implementation of the relevant programmes. In this sense responsibility is universal.

97. The development and continuous expansion of international trade is of outstanding importance for all of us. I believe that the rules of international trade, as well as trade policy principles and obligations entered into, should be applied effectively in order to secure, without any limitation, equality in the rights of nations. To our mind, it is indispensable to strive for the further normalization of international trade and for the elimination of all artificial trade barriers, discrimination and protectionist measures, particularly in East-West trade relations, which impede the normal development of trade flow among countries having different social and economic systems and have an adverse effect on the enhancement of trade and economic co-operation between socialist and developing countries. Let me mention that all these issues have been correctly dealt with in the report of our Secretary-General presented to the General Assembly in document A/S-11/5.

98. Respect for mutual interest and advantages is always a precondition for the sustained growth of economic relations, and it involves the application of preferential treatment for the products of developing countries. Preferential treatment has a favourable effect on the exports and export earnings of the developing countries and it contributes to economic development and the expansion of international co-operation. The granting of preferences fulfils its purpose only if it really serves to promote and to equalize economic growth. Under no circumstances should it serve the selfish interests of the transnational corporations operating in developing countries.

99. The transformation of the present system of the international division of labour calls for important efforts at both the national and the international levels for the establishment of conditions for industrialization and economic independence. The creation of processing industries using domestic raw materials helps to remove inequalities. The establishment of such industries

should be an integral part of the development and transformation of socio-economic structures.

100. As a member of the Council for Mutual Economic Assistance (CMEA), Hungary enjoys the advantages of participation in co-operation based on principles of equality, mutual interest and respect. As a result of this new type of economic relations, our country was able to transform and develop its economy in an historically short period of time. Within the framework of CMEA, long-term planning, which provides stability, has helped to slow down and dampen the unfavourable impact of the present-day crisis in the capitalist economy. But, since Hungary maintains a wide range of economic contacts with developed and developing countries alike, we are not able entirely to prevent those adverse effects from being felt in our national economy.

101. The Hungarian People's Republic, guided by the basic principles and considerations I have outlined, keeps on expanding its relations with the developing countries. Our trade with those countries is the most dynamic sector of our international trade relations. During the past two decades our exports to those countries have increased more than six-fold, while our imports have increased eleven-fold. This has in fact doubled the share of developing countries in Hungarian foreign trade. Hungary's preferential tariff system has greatly facilitated the entry into Hungary of products from developing countries. Additional preferences were recently given to the least developed countries by the lifting of all customs duties on their products.

102. Hungary, in its overall economic relations, endeavours to establish lasting and stable economic contacts with its partners in the developing world as well. These objectives are being attained by medium-term and long-term agreements, such forms of co-operation as the export of complex systems—for example, in health, education, and so on and so forth—as well as by joint exploration for and utilization of natural resources and the development of infrastructure. Our manifold economic co-operation contains important elements of assistance, too, thus contributing to the solution of the socio-economic problems of the developing countries. The Hungarian People's Republic is ready to contribute to the further widening and enrichment of these relations.

103. I wish to sum up, though briefly, the position of principle taken by the Government of the Hungarian People's Republic concerning the transformation of international economic relations. As in the past, my Government is ready to participate actively in the future in the work of the organs of the United Nations system dealing with questions of the world economy and thereby to contribute to efforts aimed at reducing inequalities, eliminating relationships of subordination and exploitation, normalizing international economic relations, expanding international co-operation, and maintaining peace and security in the world. It is in this spirit that we will take part in the finalization of the strategy for the third United Nations development decade, as well as in the preparatory work for the global negotiations in the framework of the United Nations.

104. Mr. ADDOU (Somalia): Sir, I am happy to be able to congratulate you once again on your election to the presidency of the General Assembly. Your outstanding accomplishments during the thirty-fourth session reinforce our confidence in your ability to guide this special session in its weighty deliberations.

105. My delegation shares with the vast majority of Member States a strong sense of satisfaction in welcoming the delegation of Zimbabwe to the United

Nations. Zimbabwe's independence represents a major victory in the struggle to eliminate racism and colonialism from the African continent; it represents the triumph of the Charter principle of the right of peoples to self-determination and independence. Above all, it represents the valiant spirit of a people and its leaders, who never wavered in the long and bitter struggle for freedom, justice and human dignity. The great victory which the people of Zimbabwe have forged for themselves, with the moral and political backing of the United Nations, is a beacon of hope for all who continue to struggle under foreign domination and racist oppression. I pledge the friendly co-operation of my Government to the Government and people of Zimbabwe as they embark on the task of nation-building.

106. In the view of my Government, the decision of the General Assembly to call this special session on international co-operation for development was a timely response to an international economic crisis of the greatest magnitude. We believe that Member States have a grave responsibility to deal urgently and in a comprehensive manner with the challenges and requirements of development in the 1980s.

107. As we embark on this attempt to frame an international development strategy for the third United Nations development decade, two questions will underlie our efforts and any consensus we may reach. One question is whether or not the fact of interdependence has been fully accepted by all States, and the other question is whether the political will to implement the internationally accepted principles of a new world economic order truly exists.

108. These questions are pertinent because we can see, on the one hand, a steady increase in lip-service to the principles introduced at the historic sixth special session of the General Assembly, while, on the other hand, the implementation of those principles has been painfully slow, limited in character, and confined to only a few of the areas where action is sorely needed. Our success or failure in launching here a new round of negotiations dealing in a comprehensive way with the interrelated problems of our world economy will indicate clearly the extent to which we are all committed to the task of translating principle into practice in the years ahead.

109. The incentive for urgent co-operative action should be even greater now than in the past, since present-day economic realities include world inflation, recession and unemployment, economic ills suffered by all countries, regardless of their economic level or geographical location. Of course, the developing countries are always more vulnerable to economic instability and are bearing the brunt of the world economic crisis, to the point where many—and in particular, the least developed, like Somalia—are in desperate economic straits.

110. What has become obvious is the fact that all nations have a strong mutuality of interests and that even the prosperity and stability of the North are threatened by poverty and instability in the South. No State or region can isolate itself today from the global problems which are the concern of all.

111. The questions to which we must address ourselves in the 1980s have been identified and analysed in various international forums. There is agreement that international economic relations need restructuring for a number of interrelated purposes, in particular to provide for the accelerated development of developing countries, to reduce global poverty and to reduce the economic disparities within and between countries. There is also

agreement that the scientific and technological capabilities of developing countries must be expanded.

112. Unquestionably, co-operative efforts and collective measures must be applied if these weighty and complex questions are to be dealt with efficiently and if a more just international economic order is to be promoted. The persistent international economic and financial crises evident today either reflect the irrelevance of international deliberations over the past decade or they reflect a failure to deal effectively with the challenges and requirements of development. My Government is convinced that the latter is the case, and that the specific measures formulated in international forums must now be supported by strong political commitment.

113. Five years ago, the world community accepted a broad framework for a new world economic order. Today we must deal with specifics. To this end, my Government fully supports the position of the Group of 77 on the major and interrelated issues of development, raw materials, energy, trade and money and finance.

114. It is the conviction of my Government that the first priority for international action, by any criterion, is the elimination of the historical and deep-seated causes of underdevelopment and conditions of poverty. These conditions are expressed in statistical terms by the low rates of economic growth of the majority of the developing countries. They are expressed in human terms by the prevalence of hunger and disease among the suffering millions of the world. Only a year ago, a World Bank report warned that, even with a 5.6 per cent growth rate in the 1980s, 600 million people would suffer dire poverty and hunger by the year 2000. Since the overall growth rate of the third world is only around three per cent today, it seems that even that gloomy forecast seriously underestimated the dimensions of the problems we face.

115. My Government strongly supports the view that the developing countries must achieve accelerated and sustained patterns of development through an unprecedented transfer of resources such as that envisaged in the Brandt Commission's programme for global survival.⁴ To be fully effective, such transfers would have to be combined with measures for strengthening national capabilities in the management and implementation of development efforts.

116. Certainly, if one agrees that global economic recovery will be stimulated by an accelerated pace of development in the third world and that increased transfers of resources are indispensable for accelerated development, then the logical step will be an all-out effort by the countries both of the North and the South to enter into negotiations on the modalities for the transfer of resources.

117. The reluctance of developed countries to subscribe to defined targets for the growth of developing countries and for official development assistance is no doubt due to their own economic difficulties, but my delegation hopes that those countries will come to realize the need to apply long-term and difficult rather than short-term and easy prescriptions for the world's economic health, and to realize also that development assistance in today's world is a form of enlightened self-interest.

118. Closely related to the problem of underdevelopment is the question of the low earning power of the raw materials of the developing countries and the instability of prices for their commodities. These factors, of course, ensure an unequal exchange between raw materials and the manufactured goods of the developed countries, and a heavy burden of external indebtedness.

119. The establishment of a Common Fund at the centre of the Integrated Programme for Commodities was a welcome achievement, but the scaled-down Fund has yet to play the catalytic role in commodity negotiations envisaged for it. Indeed, in 1980, real commodity prices are the lowest on record since 1950 and the terms of trade continue to move steadily against the developing countries.

120. In the view of my Government, an essential task for the 1980s is to find effective policies and mechanisms for protecting the purchasing power of raw materials and commodities. We hope that the exports of the developing countries can be stabilized and expanded through compensatory financing. Another essential factor will be an improvement in the access of the exports of developing countries to the markets of developed countries. I need hardly emphasize the necessity in this context for a retreat by the industrialized States from their increasing protectionism.

121. The world monetary and financial crises and the pervasive question of energy resources are other major challenges of the 1980s. My Government believes that there must be progress towards more active participation by the developing countries in international decision-making on the rules governing international trade, finance and monetary matters.

122. We see the arms race in nuclear and other weapons as a major contributory cause of world inflation and we call on the nuclear and militarily significant Powers to invest in stability, peace and progress rather than in death and destruction.

123. One of the painful discoveries of the 1970s was that the world was well on the way to using up, in little more than 100 years, the mineral resources which nature took millennia to produce. It is no doubt a painful remedy for the past over-consumption of non-renewable resources that the price of oil must now reflect its true value, but this remedy is preferable to the squandering of irreplaceable resources induced by low oil prices and uncontrolled production. The most important factors of the energy problem today are the need for conservation and the search for alternative and renewable energy sources.

124. The oil-producing countries have taken some steps to lighten the heavy burden of high oil prices which bears most heavily on the least developed countries. My Government trusts that they will continue to apply and expand these efforts. We hope, too, that they will redouble their efforts to recycle their surpluses in ways which promote development.

125. In our over-populated world, the management of human settlements and the conservation of environmental and natural resources challenge both the ability of developing countries to undertake accelerated economic development and the capacity of developed countries to sustain their present high standards of living. The recurrent patterns of drought over the last decade in many parts of the developing world, particularly in the Sahelian countries and the Horn of Africa, have devastating effects on the people, the livestock and the land. These natural disasters attest to the need for concerted national and international measures. Programmes for

⁴*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).

the fight against desertification and measures to cope with settlement problems and expand facilities to both rural and urban communities will assume even greater importance in the 1980s. The third United Nations development decade must recognize this challenge and its requirements.

126. While many international economic problems demand long-term solutions, there must be both long-term and immediate responses to the problems of the least developed countries. The United Nations Conference on Trade and Development's Immediate Action Programme—for 1979 to 1981—is a measure which least deserves to be delayed or to receive a reduced commitment for its implementation. The low levels of development in their physical and institutional infrastructures and of their human resources limit the capacity of the least developed countries to initiate or to implement measures for development. These countries need substantial new programmes which are responsive to their priorities. Of particular importance will be capital investments designed to expand and facilitate significant increases in manufacturing activities and the exploration of mineral resources.

127. Intensified agricultural development and food production in the least developed and most seriously affected countries are also critical elements in the reduction of global poverty and in the acceleration of sustained development.

128. The African continent includes the largest number of the most seriously affected and least developed countries. It has been estimated that the average African has 10 per cent less food today than he had 10 years ago, an estimate that reflects a consistent lagging of agricultural growth behind world trends. While African countries bear a heavy responsibility to increase food production, the internal constraints of underdevelopment and the external constraints of world inflation, debt burdens and limited market opportunities all have their effect even on the most vigorous efforts to increase agricultural production, a fact which once again underlines the interrelationship of international economic problems.

129. My Government believes that a meaningful international development strategy must enable each country to take primary responsibility for its own development policies which must be based on justice and equality. The Somali Democratic Republic has undertaken three development plans since 1970, and in designing our new development strategy we have been able to learn from our past experiences. Our new strategy is designed to make the greatest use of national resources in the production of commodities and in providing expanded services, to create conditions for sustained growth, to enhance the people's participation in the execution of development plans through the decentralization of Government administration, to organize the means of production so that they are owned and operated by and in the interests of the people and so that the equitable distribution of benefits is ensured, to mobilize our human resources through self-help activities in order to speed up socio-economic development, and to promote the establishment of co-operatives for small producers in the areas of agriculture, livestock and fisheries.

130. We believe that this strategy is based on justice and equity and on a realistic assessment of the needs of one of the least developed countries. However, it can be translated into reality only if we receive from the international community the necessary financial and technical resources, on terms and conditions attuned to our development needs and economic circumstances. Somalia's economic situation has deteriorated sharply in the last few years. External economic shocks, such as the sharp increase in the prices of our imports, the erosion of our export earning capacities and, consequently, the large deficits in our balance of payments, have made it impossible for us to go forward with development plans from our own resources. In addition, we are faced with massive problems as a result of accepting a refugee influx of almost one quarter of our normal population. I think it is evident that we cannot carry these heavy burdens without substantial international assistance.

131. Some versions of the current world economic situation sound like a steady and optimistic record of progress. We in the developing world know that our efforts resemble those of a man who tries to ascend an escalator one step at a time while the escalator descends at the rate of two steps at a time. Many of us are exerting ourselves to go forward as fast as we can, and yet we are either standing still or sliding backwards. If it is accepted that this situation exists and that it also has vital implications not only for the developing countries but for the world at large as well, then we will all have made much valuable progress.

132. In conclusion, let me emphasize the belief of my delegation that the measures for international economic co-operation which need to be taken in the third development decade are well within the capability of individual nations and of the international community, working singly and together. With co-operation and goodwill we can eliminate the interrelated causes of underdevelopment and poverty, achieve orderly patterns of development, and contribute to world stability and peace.

133. Mr. KULAGA (Poland): On behalf of the Polish delegation, I have great pleasure in congratulating you, Sir, on your unanimous election to the presidency of the eleventh special session of the General Assembly. Your stature, your knowledge and your experience will surely be of great assistance in facing the important tasks confronting us at this session.

134. I should like also to take this opportunity to offer our sincere congratulations to the delegation of the Republic of Zimbabwe on the admission of its country to the United Nations. We extend to them a hand of friendship and co-operation.

135. The Polish delegation participates in this special session with the resolve to contribute its share to the elaboration of conditions conducive to a further expansion of international economic co-operation, serving the basic and just interests of all countries and regions. We trust that the present session will contribute to those aims. We realize, though, the complexity of the problems that we face. We realize also the complexity of the present international situation, which cannot but have an unfavourable influence on the situation of these problems.

136. We have said in the past, and we repeat today, that it is essential that the problems of international economic co-operation be considered in close interdependence with the efforts to maintain peace and international security; that issues of economic assistance be viewed in their relation with progress towards disarmament. Wide-ranging, peaceful economic co-operation cannot be pursued successfully while the arms race continues, while hotbeds of tension and political and military conflicts, old and new, remain latent, and while neo-colonialist expansion continues.

137. Poland, together with other socialist countries, acts consistently in favour of the maintenance and con-

solidation of détente. It is in this spirit that we have advanced many proposals in the United Nations and outside aimed at military détente and disarmament. For there is no doubt in our view that disarmament and the reduction of military budgets are the essential source of material means for the acceleration of development and economic assistance to the developing countries in particular. Advances in this respect would also constitute an important contribution to the strengthening of peace, the creation of an atmosphere of confidence and, therefore, to the development of peaceful co-existence and co-operation of all States, irrespective of their social and economic systems and their levels of development.

138. Poland has from the very beginning supported the progressive objectives of the Programme of Action on the Establishment of a New International Economic Order [*General Assembly resolution 3202 (S-VI)*] and the Charter of Economic Rights and Duties of States [*General Assembly resolution 3281 (XXIX)*]. We have always approached the establishment of the New International Economic Order as a long-term process of restructuring international economic relations.

139. We consider therefore that, in parallel to assessing the stage achieved in the implementation of the New International Economic Order, the present session should concentrate its attention on the factors determining this progress, as well as its further prospects. In our view, limited progress has been achieved in some areas, the establishment of the Common Fund for Commodities being an example. This progress is by far too modest. It does not meet the expectations of world opinion. It does not meet the most fundamental requirements in development, particularly of the developing countries. It does not match the potential of world production and natural resources, of capital and of technological innovations. It does not take advantage of all the possibilities of broad international economic co-operation. It has proved ineffective in overcoming the difficulties of the present world economic situation.

140. We have always maintained that in order to implement the progressive postulates of the New International Economic Order, it is not sufficient to combat negative symptoms, but that it is necessary to work for the elimination of their sources and causes. These reside primarily in the anomalies of an international division of labour established in historically different conditions.

141. Therefore, in our opinion, it is essential that at the present session we outline ideas and guidelines for eliminating the real obstacles impeding the utilization of those possibilities for progress. We seem to agree in general that the basic difficulties lie in the crisis and the mechanisms of the "old order". Dominated by the crisis, the world economy has entered a new, very complicated stage. Inflation, energy and food shortages, the destabilization of financial and monetary relations, difficulties in the sphere of employment, ecological threats: these are among the problems which raise fear and concern in many regions of the world. Most of the forecasts for the coming decade indicate that the difficult situation of the 1970s will continue in many fields if the current trends in international relations are not reversed. The present economic policies pursued by many developed States by means of well-known commercial, political and economic mechanisms transmit the burden of crisis to other groups of States, particularly developing ones. This, in many ways, also affects Poland's economy, mainly in the sphere of tensions in our external balance. Protectionist policies and discriminatory measures may, in the short run, prove beneficial for the

countries applying them, but in the long run they will inevitably bring serious negative repercussions to everyone, including those who opted for such policies.

142. The experience of the last United Nations Development Decade and the process of preparing for the present session have clearly demonstrated that the factors determining progress in the implementation of the New International Economic Order lie in the sphere of the political will of all States in respect of two areas of activity: first, the mobilization of each country's internal resources for development in the framework of its strategy and the priorities of its national programme; and secondly, constructive international economic co-operation, whose growth should ensure appropriate participation and safeguard the just interests of all States.

143. The Polish delegation is deeply convinced that the new international development strategy for the forthcoming decade should, in its final shape, be a step forward as an agreed programme for the further implementation of the New International Economic Order. Starting with the general principles we have presented, we support, in general, the concept of structural changes which is at the core of the developing countries' platform concerning the new international development strategy. We are willing to continue to co-operate with other States in the task of furthering the concept of structural changes in the process of shaping and implementing the progressive goals of the new international development strategy. Apart from actions aimed at the settlement of the global problems I have mentioned, we are particularly interested in co-operating with all States in the restructuring of the international division of labour, which would include newly-developed productive, particularly industrial, potentials of the developing countries as well as of the socialist countries. In this respect, too, the socialist and the developing countries have common interests.

144. In the light of the recent experience in the area of international exchange and the course of multilateral negotiations in the United Nations on general and sectoral solutions, the Polish delegation is of the opinion that there is a particularly pressing need to re-emphasize a well-known position of the socialist States, namely that the basic principle on which the United Nations rests—that is, universality—is a condition of success and effectiveness in any transformation of the structure of international economic relations. We hope that in the process of the adoption and implementation of the new international development strategy, as well as during the global negotiations, suitable ways will be found and a proper atmosphere established so that the interests of all parties are justly treated. This would constitute a contribution of paramount significance to the effective implementation of these programmes.

145. In the course of debates and negotiations at the United Nations and elsewhere, Poland has clearly stated its position as to the concept of dividing the world into countries of the "rich North" and the "poor South". The new international development strategy and the global negotiations, based, as they should be, on the principle of a universal international economic order, must take into consideration the differences of systems in today's world. They must also make allowance for and include all flows of trade and other sectors of international economic co-operation in the framework of the strategy and the global negotiations.

146. Within the measure of its economic capabilities, and in conformity with its principles and mechanisms of co-operation with other States, Poland will strive to

make a constructive contribution to the implementation of this programme, as well as to the process of the future global negotiations. We shall continue our active participation in the negotiations on concrete multilateral arrangements concerning commodities, transfer of technology, industrial, scientific and technical co-operation, agricultural development, environmental protection, conduct of transnational corporations, and liberalization of trade.

147. We consider also that in other new areas or on specific matters which may be opened to multilateral negotiations, such as energy, conditions should be provided for comprehensive study of the problems and the adoption of suitable arrangements.

148. The broadest possible participation in international exchange has long been an inseparable element of our strategy and an integral part of the process of Poland's economic growth. Our policy of developing trade and economic co-operation, carried out in the framework of the Council for Mutual Economic Assistance and with other countries of the world, includes as a fundamental principle the steady development of partner-like co-operation with developing countries.

149. The Polish Government has adopted a programme for co-operation with developing countries that is the basis for our activities in this sphere. This programme is built on long-term bilateral intergovernmental agreements comprising a broad spectrum of economic, scientific, technical and cultural relations,

including technical assistance. It aims at a further qualitative transformation of our relations with the developing countries. It postulates a widening of all types of co-operation, particularly in industry. It calls for enlarging the institutional basis of an increased co-operation interlinked with facilities, assistance measures, and promotional measures, in particular for the transfer of technology, along with the supply and construction of industrial plants. This often relates to the creation of sectors crucial for the economic independence of developing countries, such as mining, energy, industrial construction, the chemical industry and shipbuilding.

150. An essential premise of that programme is that the agreements between Poland and interested developing countries should be an effective instrument of transformation in the international sectoral division of labour: *inter alia*, that they should provide for mutually beneficial and lasting changes in the structure of exports, including diversification and increase of exports of manufactures from developing countries.

151. I have attempted to present succinctly the views of the Polish delegation on this most important problem facing the special session. I have also indicated our hope that our debates will lead to advancing the implementation of the New International Economic Order, which is now entering a new important phase. The Polish delegation will contribute its share towards this objective.

The meeting rose at 1.35 p.m.