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NEW YORK

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

AGENDA ITEM 7

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

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

1. The PRESIDENT: In accordance with decision S-11/22, taken by the General Assembly at its 1st plenary meeting, I now call on the Director-General of UNESCO, Mr. Amadou-Mahtar M'Bow.

2. Mr. M'BOW (Director-General, United Nations Educational, Scientific and Cultural Organization) (*interpretation from French*): I am particularly honoured by the invitation I have received to address the General Assembly about UNESCO's concerns regarding the problems of development before this eleventh special session of the General Assembly. The organization it is my honour to head is, in fact, constantly working in its own fields to further the achievement of the ideals of peace, progress and justice which underlie the action of the international community in its efforts for development.

3. It must be recognized at the outset that the results thus far obtained are still very disappointing with regard to the needs and aspirations of the peoples who form the majority of mankind. The new decade is beginning under the most difficult auspices.

4. It is enough to experience a few moments of contact with different peoples to sense the misery which afflicts most of them and to note the harbingers of troubles which will leave no country unaffected.

5. However, despite the fact that the interdependence of their destinies is increasingly clear, the nations of the world are powerless to go beyond their self-interest. They cannot manage to agree on a way to restructure their relationships which would open opportunities for expansion for each and every one of them.

6. That is what emerges from a careful reading of the draft development strategy [see A/S-11/2 (Part III), annex]. First of all, it is clear that there are many issues on which positions still diverge, thereby outlining a kind of geography of discord and even confrontation within the international community.

7. Those disagreements exist on everything that implies firm quantified commitments within a time-frame on the necessary institutional changes in interna-

tional economic relations, in such areas as natural resources; on declarations on the evolution of the international monetary system; and on a more equitable participation for developing countries in the decision-making process.

8. We are far from the projections made in the texts adopted in 1974 and 1975 with a view to establishing a New International Economic Order.

9. And yet there is a pressing need to break out of the dialogue of the deaf that has established itself in so many international meetings, while so many societies are on the brink of serious breakdowns. From the proliferation of famine situations to the persistence of endemic disease, illiteracy and ignorance and from the expansion of unemployment to the displacement of whole populations, absolute destitution is today the lot of hundreds of millions of men, women and children.

10. An invisible demarcation line is being drawn between two worlds whose chances of survival are radically different. And that breach is an offence to mankind's moral conscience even before it becomes a threat to its future.

11. No vision of development can fully meet the aspirations of all mankind unless it strives to overcome that basic inequality. Now, that inequality is itself based on other inequalities, which are perhaps less obvious but which, taken together, constitute an obstacle to any serious effort at progress. There are 130 million children between the ages of six and eleven who do not go to school and 800 million adults who are illiterate; they have little possibility of benefiting from modern knowledge and know-how in order to make a valid contribution to efforts at transforming their own societies.

12. In those circumstances, how can one hope to see them bring about necessary changes, when 92 per cent of the scientists and engineers engaged in research and development in 1978 were working in industrialized countries?

13. One could go on giving examples of inequalities in education, culture, science and communication. But that is hardly necessary. The facts are known to us all, and no one any longer has any doubts about the gravity of the situation they reflect. That the international community has nevertheless proved incapable thus far of coming to grips with the immense problems raised is, more often than not, because it has refused to take account of their reciprocal interaction by identifying their underlying causes and by learning the lesson of accumulated experience, and because, generally speaking, it has allowed the short-term view to prevail and has taken a purely quantitative approach to things.

14. It has thus made itself unable to see the wood for the trees and condemned itself to prescribing palliatives where major surgery is called for. By refusing to go back to the very sources of poverty, it is running the risk of reducing the concept of international co-operation to that of assistance, which is more and more taking the form of humiliating charity. Of course, when the evil reaches today's proportions, emergency aid is called

for, but on condition that it does not serve as a mere excuse and that it falls within a global effort designed to see to it that the party receiving assistance can in time do without assistance.

15. Now, co-operation as it has most often been practised has resulted in increasing the dependency of many third-world countries rather than in strengthening their independent capacity for development. Even if some of them have gained this or that victory, several, when the balance-sheet was drawn up, have found themselves weaker and, at times, even in some respects worse off than at the beginning.

16. Those who tried opening up every horizon to foreign investments by relying on the logic of the market often reaped the dislocation of their economy. Others tried the opposite extreme of withdrawal and isolation. Deprived of most of the knowledge and know-how being accumulated by the rest of the world, they wore themselves out in their task.

17. There remained the path of patient search for a balance between national projects and international co-operation, between endogenous creativity and mutual assistance. Many efforts were made in this regard in the past two decades, but nowhere have they been crowned with genuine success, because the main forces at work in the world market place a tremendous strain on the third-world countries in their isolated determination, and those countries have not been able to mobilize or unite all the necessary energy in order to assert their specific aspirations and put their own stamp on the development of international relations.

18. According to the International Monetary Fund (IMF), between 1973 and 1979 those countries lost \$80 billion through deterioration of the terms of trade between North and South alone. The external public debt of those among them that do not export oil rose in the same period from \$84.5 billion to \$290 billion. After having been self-sufficient in food for a long time, many of them today find themselves importing food grains at a time when the value of their exports tends to decrease and that of their imports to increase. The farmers of the Ivory Coast and Bangladesh are now working more than they did at the beginning of the past decade and earning less. Thus the frustrations that are increasingly felt in the third-world countries are commensurate with the great hopes to which their recent independence had given rise.

19. The world today has not been able to adapt its structures to the upheavals of the last quarter of a century brought about by the emergence of nations whose will the colonial era had until then thwarted. It has recognized their political sovereignty, but the economic and cultural dimensions of that sovereignty are still limited.

20. The major fact of our time is the active awareness of the peoples of the world, which aspire to be the free masters of their destiny but which do not have the means to achieve that, which now believe themselves to be part of history but which cannot achieve a role in history.

21. For them, development is first and foremost the immense need for dignity which they feel and which they wish to express through actions; it is once again to be the masters of their own fate; it is to find within their own identity inspiration for a collective effort for progress and justice, which they fully undertake because it meets their deepest hopes; it is to be able to have free access to the scientific and technological heritage of the whole of mankind in order themselves to derive from

that knowledge everything they need for their progress, which would allow them, in turn, to contribute to the expansion of knowledge. External financial contributions and technical assistance will bear fruit only within that framework when they are adjusted to the genuine needs and aspirations of each country and each region.

22. Therefore, development can be understood only as a gradual expansion of the creative possibilities of the social body, as a process with many roots, including all the meanings of life, a process by which each community expresses its own genius, while at the same time being receptive to that of others, and by which each individual, each professional category, takes an active part in the general efforts and shares the fruits thereof.

23. Hence, development cannot be reduced to a set of economic practices; the growth of material resources is one of its main objectives, but not the only one. That is why true development implies the concerted deployment of several factors: productive structures encompassing the aspirations of each people and respecting the essential balance between ends and means; a culture whose spirit must nourish and give life to all the sectors of social activity; a science and technology that is fully mastered and that contains elements indispensable to innovation; a system of education that prepares everyone, at each stage of his existence, to follow the stages of tradition and progress, of apprenticeship and production, of personal aspirations and national requirements; a communications network allowing for a free and balanced exchange of information between men and nations, by which each people acquires the capability of receiving messages of all kinds from others and of transmitting its own messages.

24. It is in the light of those ideas that UNESCO has made the search for a new international economic order one of the main directions of its action—perhaps even the main axis. The idea of a new order bears within itself a meaning that goes far beyond the economic dimension of human activities. As is emphasized in the UNESCO report appearing in document A/S-11/6 [*annex, pp. 114-150*], now before the General Assembly, while UNESCO believes that the idea of a new order relates above all to the machinery of international economic relations—which indeed must be radically changed—it implies also a deep agreement on shared values, values of justice, equity and solidarity, which must prevail over solely economic interests; and it presupposes an awareness of mankind's unity, with respect for the diversity of the societies of which mankind is a part.

25. Thus, in UNESCO's opinion, the establishment of a New International Economic Order is the framework for progress towards the kind of development in which the primordial task is to give human beings a full sense of their own lives. But there are two practical prerequisites for putting such a concept into practice: that the international community authorize it and that individual nations assume the responsibility for it.

26. To that end, the international community must undertake changes going much further than the mere touching-up now envisaged. It must accept fundamental breaks with a system of asymmetrical interdependence, which generates the main inequalities at the basis of today's disparities. It must reorganize trade relations, the flow of information and the forms of co-operation in terms of a primary necessity: enabling each people to make its own way in development while respecting that of others, and all peoples to help each other—that is, to enrich one another.

27. To achieve that the nations of the third world must, for their part, accept conceptual and structural changes through which, on the one hand, the free participation of each citizen in the collective effort towards innovation and a return to the sources will be affirmed and, on the other, the indispensable balance will be established between culture and economy, the rates of production and the rhythms of nature, the endogenous requirements and the international environment. Furthermore, they must recognize that such an effort cannot be fully deployed or yield the results expected if it is not carried out on the proper scale, which means fairly large populations and sufficient resources. For a large number of those countries, it means that their development must be envisaged on the level of groups of countries—the only way by which their means can fit the scope of their needs and their voice can finally be heard in the rest of the world.

28. In such changes, the United Nations system must naturally play a primary part. The new development strategy is one of the principal instruments available to it in that regard. That is why everything must be done to ensure success. To that end, the resources of the entire system must be fully used in the negotiations. For its part, UNESCO is ready to lend all the support of its long-established competence in the fields related to its mandate. We offer that support wherever it is decided to pursue these negotiations and in the framework determined for them.

29. In the present state of affairs, the achievement of such regional, national and world-wide changes may seem more of a dream than a reality. But is it not preferable for us, together, to model reality on this necessary dream rather than allowing it gradually to slip into an irremedial nightmare?

30. The choice before us, at this tormented twilight of the century, is not either to accept real changes or to reject them. The only question is whether those changes will be made by explosive spurts, in disorder and war, or whether they will be made gradually and peacefully.

31. Let us all agree to see this session as a sign of hope. Indeed, it is in this forum that mankind, for the first time in history, has envisaged its future in solidarity, entrusting the representatives of the States of the whole world with the task of reflecting together on their common problems.

32. For better or for worse, our destinies are now irreversibly linked. Let us accept this, going beyond our individual interests for the benefit of our collective aspirations, to a progress synonymous with shared dignity.

33. Mr. SOURINHO (Lao People's Democratic Republic) (*interpretation from French*): My delegation is extremely happy, Sir, to see you presiding once again over the work of the General Assembly. We are sure that with your vast experience and your great talents as a negotiator you will be able to guide the work of this very important session to fruitful results.

34. We are happy to welcome free and independent Zimbabwe, which, after a long and heroic struggle, has just been admitted to the United Nations as its 153rd Member, thereby taking its rightful place in the comity of nations.

35. We keenly hope that this happy event will be the prelude to the accession of Namibia, in the very near future, to full independence and full sovereignty. That will contribute greatly to consolidating peace in southern Africa and strengthening the forces in the world that cherish justice and democracy.

36. The present special session of the General Assembly, convened to evaluate the progress made in the efforts to establish the new international economic order and to take steps to promote the development of the developing countries, has opened in complex international circumstances.

37. Politically, we are witnessing renewed tension in international relations caused by the continued acceleration of the arms race maintained by the colonialist, imperialist and international reactionary forces, caused by their policy designed to sabotage the peace and progress of peoples and by their attempts to create hotbeds of tension and to intervene cynically in the affairs of States. Economic blockades and the use of international economic bodies for political ends are today almost the stock in trade of imperialists and reactionaries of all kinds in their attempts to ruin the economies of the developing countries and to bring the peoples of those countries to their knees through the domination and *diktat* of the imperialists and the reactionaries.

38. This renewal of tension has dealt severe blows to international economic co-operation, and in particular to the North-South dialogue, which is now at a serious impasse.

39. Economically, the world economic crisis which began early in the 1970s has not ended. Far from it. It is growing constantly worse and has now reached alarming proportions.

40. This particularly disturbing situation which hangs over our work requires us to demonstrate a great sense of reality and to assume our responsibilities, so as to find solutions to the present crisis and give a new impulse to development and international co-operation.

Mr. Adan (Somalia), Vice-President, took the Chair.

41. When, in 1961, the international community launched the First United Nations Development Decade, a great surge of hope inspired the peoples of the third world, who rightly believed that that happy initiative was a great turning-point in the centuries-old struggle they had been waging against economic, social and cultural underdevelopment.

42. But 20 years and two Development Decades have passed and that hope has not yet been fulfilled, and the peoples of the third world, which believe profoundly in solidarity and fraternity among all the nations of the world, are very disappointed. They are infinitely and profoundly saddened to note that throughout the world the number of poor and starving people, far from decreasing, has increased considerably, and that the gap that separates them from the developed world has been constantly widening. They are compelled to draw the conclusion that generous promises, if unfulfilled, are but hollow words, illusory and even dangerous to believe in.

43. The international community is now deploying enormous efforts to elaborate a new strategy to attempt once more to promote the development of the developing countries. Although we have been severely disheartened by the two previous Decades, we are not against such an undertaking. On the contrary, we very much hope that at the present special session the General Assembly will reach agreement and will adopt by consensus a text for the new international development strategy for the third United Nations development decade.

44. Nevertheless we should like once more to state clearly that as long as the present international economic order, an order based on dependence, domination and exploitation, persists and the principle obstacles to

the restructuring of international economic relations persist—that is, colonialism, neo-colonialism, imperialism, racism including Zionism, and all forms of exploitation, domination, occupation and hegemonism—any attempts at development by the developing countries will remain illusory.

45. That conviction has been amply borne out by the disappointing experience of the last 20 years of development and international economic co-operation, as well as by the absence of tangible progress in the intensive and interminable negotiations that began six years ago to establish a new economic order based on justice, equality and advantage for all.

46. From what I have said it is clear that the actions that the international community will be obliged to take in the coming years to find solutions to the problems of the development of the developing countries and of fruitful international economic co-operation will have to involve efforts to restructure international economic relations and to eliminate all artificial and natural obstacles confronting them.

47. In that context we should like to make a few comments regarding the strategy for the third United Nations development decade.

48. The strategy must provide a really effective framework and instrument to promote the accelerated full development of the developing countries. It must therefore define clearly not only the viable, consistent and concrete goals and objectives to be attained but also the role and commitment accepted by all members of the international community regarding the specific actions to be undertaken and the means by which the goals and objectives can be implemented according to an agreed time-table.

49. Bearing in mind the considerable income gap that now exists between the developed countries and the developing countries, the strategy must establish a global growth rate for the developing countries at quite a high level so that it is commensurate with the need to reduce that gap considerably before the year 2000. Along those same lines, we think that fixing an annual over-all growth rate for the developing countries at 7.5 per cent of gross national product, which would enable the *per capita* income of the developing countries to double by the middle of the 1990s, will meet that requirement, and we support it vigorously. The attainment of a 7.5 per cent growth-rate goal implies fixing high growth rates for all economic sectors.

50. Regarding the primary sector, it is essential that the growth rate of agricultural production in all developing countries should be fixed at at least 4 per cent to enable them not only to achieve national self-reliance and collective self-sufficiency in food as soon as possible, but also to diversify the economic structures of the developing countries and to redress the imbalances in world agricultural production.

51. Regarding industry, an important factor in the field of social and economic transformation, the fixing of an annual growth rate for the global production of the developing countries at 9 per cent of gross national product is not only reasonable but necessary for the attainment of the Lima goals, which, *inter alia*, would increase the share of the developing countries to 25 per cent of world manufacturing and industrial production by the year 2000.

52. In the field of trade, in order to support the increased production rates of the developing countries, exports and imports of goods and services must increase

at an annual rate of at least 7.5 to 8.5 per cent and 8 to 9 per cent respectively.

53. We are perfectly well aware that the attainment of the goals and objectives of the strategy thus established will require considerable funding. That is why it is essential that the flow of financial resources placed at the disposal of the developing countries should grow considerably in real terms. It is essential, imperative even, that all the developed donor countries speedily increase their official development assistance to reach the international goal agreed on—0.7 per cent of their gross national product—by the year 1984 and raise it to 1 per cent by 1990 at the latest.

54. In order to quantitatively ensure real inputs in terms of financial resources for development, we consider that all the proposals that have been made here, in particular that of President Fidel Castro at the thirty-fourth session of the General Assembly, which would put aside an additional contribution of \$300 billion for the development of the developing countries during the third decade,¹ merit careful examination by the international community.

55. We also think that there is no doubt that the implementation of the Soviet proposal,² endorsed by the General Assembly in 1973, to reduce the military budgets of the permanent members of the Security Council and of the major military Powers for the benefit of the development of the developing countries would provide a major additional source of real resources for the developing countries. It is therefore very desirable that that proposal be speedily implemented.

56. The Lao People's Democratic Republic is one of the least developed of the developing countries. We welcome the fact that the international community has always paid particular attention to those countries in its strategies or other development programmes in order to allow them to overcome their serious handicaps. But, unfortunately, the decisions that have been taken along these lines by the various international organizations have thus far remained dead letters or have not been fully implemented. Consequently the international community must, without delay, take the necessary steps, at the beginning of this third decade, to implement those decisions, including resolution 122 (V) of UNCTAD of 3 June 1979.³

57. Furthermore, the proposal made by the Secretary-General of the United Nations in his speech at the opening meeting of the second regular session of the Economic and Social Council at Geneva on 3 July last⁴ regarding special arrangements for the low-income countries which have difficulties with their balance of payments clearly shows his keen concern for the growing difficulties and the alarming situation of those countries. Consequently, the international community should in due course give serious consideration to that proposal.

58. Laos is also a land-locked developing country. For us, as for all land-locked developing countries, the problem of transit is of paramount importance for our development. Moreover, recognizing the importance of

¹Official Records of the General Assembly, Thirty-fourth Session, Plenary Meetings, 31st meeting, para. 127.

²See Official Records of the General Assembly, Twenty-eighth Session, Annexes, agenda item 102, document A/9191.

³See Proceedings of the United Nations Conference on Trade and Development, Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

⁴See Official Records of the Economic and Social Council, 1980, Plenary Meetings, 24th meeting, paras. 7-30.

that problem, the international community has never failed, at each appropriate opportunity, to call upon its members, in particular the transit States, to give transit facilities to that category of geographically disadvantaged countries in order to enable them to participate in international trade. However, instead of responding to that appeal, certain transit countries have not hesitated to create difficulties for the land-locked countries, either by levying exorbitant duties or by imposing an economic blockade, notwithstanding the rules of international law with regard to transit.

59. Laos is at this time among the victims of those arbitrary measures, which constitute a serious obstacle to the good international economic co-operation for which we are now striving to find the basis. That kind of obstacle must disappear if we wish to implement one of the wishes of the international community, namely to promote the development of the developing countries and international economic co-operation.

60. Since the major obstacles to the development of the developing countries and the restructuring of the present economic system, which breeds inequality and iniquity, are imperialism, colonialism, neo-colonialism, racism including zionism, *apartheid* and all forms of exploitation, domination, occupation and hegemonism—and that was vehemently reaffirmed at the Sixth Conference of Heads of State or Government of Non-Aligned Countries, held at Havana from 3 to 9 September 1979—my delegation will give vigorous support to any action aimed at the elimination of those plagues in the new international development strategy.

61. In the same way, we shall no less vigorously support all measures which would promote international détente and disarmament, which are essential factors in the strengthening of international peace and security because, as some say, there can be no development without peace and security.

62. My delegation is among those which profoundly regret the absence of progress in the negotiations towards the establishment of the New International Economic Order.

63. Among the meagre results obtained thus far, we note in particular the establishment of IFAD, the agreement on restrictive business practices and the recent decision on the Common Fund, the scope of which was, in the final analysis, well below the hopes that had been placed in it.

64. Negotiations regarding important issues having to do with restructuring international economic relations such as the reform of the international monetary and financial system, the restructuring of world industry, the reshaping of the international commercial system, and the stabilizing of export income from the raw materials of the developing countries have encountered the inflexible positions of the developed countries with market economies, which refuse to take the steps necessary for the implementation of the desirable changes.

65. My delegation does not intend to go into all the vicissitudes of those negotiations at this time. They were all marked by the sincerity and the determination of the developing countries to find with the Western developed countries appropriate solutions for the problems of concern to all. At the same time the negotiations were marked by the intransigence of most developed countries and their refusal to embark on serious negotiations to implement resolutions 3201 (S-VI) and 3202 (S-VI) of the sixth special session of the General Assembly and the Charter of Economic Rights and Duties of States

adopted by the General Assembly at its twenty-ninth session [*resolution 3281 (XXIX)*].

66. In view of the deadlock in the negotiations, which can only worsen the world economic crisis, the developing countries, through the Group of 77 in the United Nations, have once more demonstrated their keen sense of responsibility by proposing, at the thirty-fourth session of the General Assembly, that a further series of global negotiations be started in 1981 to deal with questions of vital interest for development and international economic co-operation, that is: raw materials, energy, trade, development and monetary and financial issues.

67. In its resolution 34/138, the General Assembly decided that the Committee of the Whole Established under General Assembly Resolution 32/174 should act as the preparatory committee for the global negotiations relating to international economic co-operation for development and that it should submit for approval to the Assembly at the current special session its recommendations on the procedures, time-frame and detailed agenda for those negotiations.

68. But it is regrettable—indeed most regrettable—that the Committee of the Whole, according to its report contained in document A/S-11/1 (Part IV) was not able to achieve any agreement.

69. The failure of the Committee of the Whole is due to the same cause which rendered fruitless the previous negotiations aimed at the establishment of the new international economic order, namely, the lack of political will on the part of Western developed countries to embark on a serious dialogue which would lead to positive results.

70. That attitude was demonstrated most eloquently in the discussion on the question of whether the global negotiations should lead to an adjustment or a modification in the present state of economic relations, a discussion which took up a number of the Committee's meetings. In fact, the discussion of that question was preposterous, because it had occurred to no one, still less the representatives of the developing countries, that the restructuring of international economic relations should give rise to merely cosmetic changes. Nevertheless, the discussion demonstrated adequately the persistence of the Western developed countries in clinging to the *status quo*.

71. That same persistence was demonstrated in the discussion of procedures for the global negotiations, in particular on the respective roles of the central body that the General Assembly will have established and of the various specialized agencies. For my delegation, as certainly for all delegations of developing countries, it would be contrary to the letter of General Assembly resolution 34/138 and a serious insult to the General Assembly which, by virtue of its composition, is the most democratic world body which exists at the present time, to have it play only the role of a letter box while important decisions of world scope are taken elsewhere, especially where the representation of the developing countries is rather sparse.

72. The specialized agencies, according to their field of competence, would have a place in the process of global negotiations; but as the proposal for global negotiations was made following the prolonged inability of those organizations to find desirable solutions to the problems that concern us here, it would be unreasonable to wish to persist in entrusting to them the central role which, in any event, should be assumed by the General Assembly or any body that the Assembly might designate.

73. As to the question of the agenda of the global negotiations, it would be difficult, in the view of my delegation, to imagine global negotiations which would deal only with the few questions mentioned in General Assembly resolution 34/138.

74. The special session is today entering on its second week of debate. However, it seems that not enough tangible progress has been made on the level of the various negotiating bodies established by the General Assembly. It is vital that determined efforts be made to reach a compromise before the closure of our work. But a just and equitable compromise must be based on the spirit of "he who has the most should give the most and he who has little should give less". In that way, and only in that way, can we build sound solidarity and give a new and fruitful impetus to international economic co-operation.

75. My delegation has no doubt that the international community will meet this challenge.

76. Mr. AL-SAFFAR (Bahrain) (*interpretation from Arabic*): I should like first of all to express my sincere congratulations to Mr. Salim on his election to the presidency of this important session. I am fully convinced that his long experience in the work of the United Nations will make a great contribution to the success of this special session, just as it has in the past contributed to the success of previous sessions over which he has presided. I should also like to congratulate the young Republic of Zimbabwe on its admission to membership in the United Nations after long years of bitter struggle for independence and freedom.

77. The past decade of this century has been an important phase in the struggle of the third world to change the pattern of international political and economic relations, which were based on the principles and rules of the former colonial era, an era which has passed with the dawn of the era of revolution and liberation movements in the world. We can say today that the 1970s were a time for diagnosing the failures and shortcomings of the prevailing economic relationships between the developing and the advanced industrialized countries. In those relationships we find that the wide gap separating the rich from the poor has become more clearly evident. The poor are suffering from the burdens of ignorance, poverty and disease even though their countries are the source of many of the natural resources depleted by the colonial countries over the past centuries.

78. The developing countries in the Group of 77 have submitted a specific programme which is, in fact, a plan of action aimed at the establishment of a New International Economic Order, an order intended to change the prevailing economic patterns radically by introducing basic changes in the development strategies as well as in social and economic policies. From the very beginning, however, the industrialized developed countries have been unable to appreciate the importance of the subject or to put it in its proper historical perspective. That has led to the spreading of rumours and to misrepresentations which have painted a blurred picture of the world situation. On the basis of those misrepresentations, a theory has emerged linking the requirements of the international economic system with the distribution of power in the world economic and political system. The proponents of this theory believe that the developing countries have chosen and followed two paths in order to achieve their goals. The first aims at establishing the principles of economic well-being, and the second at influencing and increasing the powers of international organizations to enable them to change the rules and criteria governing

the international economic system. The proponents of the theory in the advanced industrialized countries have submitted specific questions in their analyses of this theory, among them whether there has been a genuine redistribution of power in the world system and whether there has been a basic change in the capability to exercise power of the developing countries. Without going into a detailed examination of this theory, we find that it leads to an obvious conclusion, based on the logic used as the very foundation of the theory. The conclusion is that there has been no radical change in the rules and criteria governing the prevailing economic pattern. The industrialized developed countries still retain the power and exercise it in international political and economic relations. As long as these two basic pillars of the system—power and the exercise of power—continue to operate smoothly, no radical change can be made in the system particularly as radical changes require not only the capability to exercise power and its actual exercise but also the ability to retain and protect that capability and to prevent all attempts to change or undermine the basis of the system.

79. It is obvious that this edifice is built on the facts which have prevailed in the international system since the Second World War. The system has, however, ignored the facts of the new phase which has begun to appear over the past few years in the form of gradual changes here and there. The foundations of the old theory have gradually lost their cohesion and strength and the edifice itself is beginning to weaken and crumble, even though it has governed the development of international relations for three decades. We are all aware of the nature and dangers of the economic problems facing the world, and especially the developing countries, where poverty—especially total poverty—prevails. A survey has shown that \$20 billion needs to be spent each year for two decades to put an end to total poverty. Thus, if the international community—its rich and poor members alike—wishes to solve the problems it is facing, it must take a close look at matters as they are today, a look which will penetrate to the very core of the difficult economic problems affecting millions of human beings in the developing world.

80. A close look at today's reality shows that we are living through a very transitional phase, a phase which retains some of the characteristics of a dying era, but which also displays those of a dawning era. The transition will be very difficult, for the strong are fighting in a last-ditch effort not to yield an easy victory to the new era.

81. But the components of the new era, which is based on the theory of interdependence in international economic relations, have started to gain in strength and vitality as a result of a change in the powers of reform and change as they influence the international political and economic system.

82. The Group of 77 has tried to draw up an integrated picture of the new international economic system, introducing genuine changes in economic conditions and prevailing relations. However, the many conferences and meetings which have been held so far since the sixth and seventh special sessions of the General Assembly in 1974 and 1975 have yielded only meagre results and have made only limited changes affecting the prevailing system. Many conferences have shown that the advanced industrialized countries do not wish to assume their historic responsibility for changing the economic system. It is a system that it is no longer fair to seek to retain.

83. What those countries want is to give a few dollars to the developing countries as alms given to the needy

and the poor. However, we do not accept such a concept that looks at reality only from one angle. Past experience has indicated that today we need radical changes in the structure of the present economic system, as attempts at patching up the failures of the system have not been able to meet the need for reform and change. A radical change in the system has become a vital necessity, the more so as Western theories of development which emerged at the end of the 1960s have now started to collapse and fail. Those theories advocate the need to provide financial and technical aid from advanced industrialized countries and to ensure a continuous flow of foreign exchange to developing countries. The aim was to give a big push in order to break the vicious circle of backwardness and poverty in the developing countries. Despite the continuing establishment of development operations funded by the flow of foreign exchange, in the mid-1970s there were 1.2 billion people in developing countries living in low-income societies where the *per capita* income was less than \$200 a year. At the same time, millions of others were living in total poverty where 1.3 million inhabitants had no proper drinking water and no health services. Similarly, 700 million others were considered to be suffering from severe malnutrition, 250 million others were living in urban areas without adequate housing, and millions more were unemployed, having no productive work.

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

84. The group of developing countries proposed the idea of global negotiations after conferences and repeated meetings had failed to register any genuine success in finding adequate solutions for the urgent economic problems facing the developing countries. We believe that if both sides proceed with those global negotiations, that will give the North-South dialogue greater vitality and impetus. That would occur at a time when the gloomy picture of the international economy had become clearer. The proposals put forward by the Group of 77—more specifically, the time-frame and the agenda for the global negotiations—are logical and realistic because they contain the main and essential subjects which are of importance to the developing and industrialized countries alike: for example, questions relating to raw materials, agriculture, trade, industry, finance and monetary affairs. However, as has been obvious from the results of the meetings of the Committee of the Whole Established under General Assembly Resolution 32/174, the advanced industrialized countries did not agree to some of the subjects to which the developing countries attached importance. They claimed that those subjects fell within the purview of a number of specialized agencies; they also feared that there would be some overlapping in the work. We are all aware that such specialized agencies and organs should assist in the negotiations. However, that does not mean that the main subjects should not be brought up during the negotiations for fear of overlapping. In fact, we believe that if the global negotiations proceeded on a central basis, we should be able to overcome the traditional bureaucratic practices in a number of specialized agencies.

85. As for the third international development strategy, it is still encountering a number of basic difficulties, because the Preparatory Committee responsible for drafting the strategy has not been able to overcome those difficulties effectively. The industrialized advanced countries must try to understand the proposals put forward by the Group of 77 which seek to avoid the mistakes made in the First and Second Inter-

national Development Strategies, the more so as those developed countries were flexible about those strategies and made many concessions on those subjects.

86. The report of the Preparatory Committee for the New International Development Decade Strategy, contained in the various parts of document A/S-11/2, contains many bracketed sentences and expressions. We deem it important, therefore, that the advanced industrialized countries should seek to reach a compromise solution with the Group of 77 on those basic and important issues involved in the new strategy.

87. My country's delegation firmly believes that economic relations under the present world system have run their course; they are showing signs of age and have suffered from many insoluble problems. Events in the past few years have shown that the situation is deteriorating dangerously. Wisdom therefore dictates that we act before we reach a stage of disintegration.

88. Realism requires the industrialized developed countries to seek a logical and just solution together with the developing countries before it is too late.

89. Mr. RODRIGUEZ LLOMPART (Cuba) (*interpretation from Spanish*): First of all, may I congratulate you, Sir, on your well-deserved election to preside over our debates. I am sure that you will carry out the difficult task entrusted to you with your well-known devotion and mastery, and that, although it is a difficult task, it will none the less be a stimulating one.

90. We are pleased to welcome most warmly the Government of independent Zimbabwe. The presence among us of its great leader, Robert Mugabe [see 4th meeting, paras. 1-90], brings prestige and honour on this special session. The fight of the Patriotic Front and its resounding triumph constitute one of those victories which encourage the struggle of peoples still subjected to colonial domination, neo-colonial domination and imperialism, and of those who suffer the repugnant oppression of the South African racist régime, which is supported and protected by well-known imperialist Powers. The day is not far off when we shall welcome to this Assembly the legitimate free representatives of a united, sovereign and independent Namibia and of South Africa, because, through the heroic struggle of their people, they will have eradicated for ever the abominable practice of *apartheid*.

91. With similar satisfaction we welcome the resolution of 20 August 1979 of the United Nations Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples which ratified the right of the brother people of Puerto Rico to self-determination and independence through the prior transfer of all powers by the United States to the Puerto Rican people. The independence of Puerto Rico and its participation as a sovereign State in the concert of free nations is a deep-rooted and inalienable aspiration of the Latin American peoples which will never accept, nor have they in the past accepted, its present colonial status nor its assimilation into the United States.

92. The countries of the Non-Aligned Movement are convinced that imperialism, colonialism, neo-colonialism, *apartheid* and other practices brought into being in order to perpetuate exploitation and the dependency of our peoples are the fundamental obstacles to economic and social progress in the underdeveloped countries and the main threat to world peace and security. Hence, the Heads of State or Government, meeting at Havana less than a year ago during the Sixth Conference of Heads of State or Government of Non-

Aligned Countries, solemnly committed themselves to fighting every manifestation of foreign oppression, domination and exploitation, to promoting the political and economic independence of all peoples, their sovereignty and integral, accelerated and independent development and to fighting for a new just and equitable system of international relations. This is precisely the historic mission of the countries of the Non-Aligned Movement.

93. We are gathered together to discuss crucial issues of international economic relations and, above all, to complete the long process of preparation that must lead to the declaration of the third United Nations decade for development and the beginning of a round of global negotiations on international economic co-operation.

94. We are holding our discussions in an international climate characterized by the worsening of tensions at the international level and by the persistent crisis, which in recent years has hit the economies of the developed capitalist countries, the effects of which on the world economy and on the economy of the underdeveloped countries, in particular, have been such that the situation has become unbearable.

95. Reactionary and imperialist forces, giving impetus to a war-like escalation as illustrated by an increase in the arms race, the growing military presence of the United States in the Middle East and in the Indian Ocean and the establishment of special forces for intervention in the countries of Central America and the Caribbean, are the main cause of the gradual deterioration in international relations. This escalation may lead to a dead end and to destruction and death. Nevertheless, our conviction is unshakeable that the people, in their vigorous struggle for independence and progress, will obtain victory over those who seek to hold back the inexorable tide of history.

96. As the President of the Republic of Cuba and Chairman of the Non-Aligned Movement, Commander Fidel Castro, said in his historic appearance last October before the United Nations General Assembly:

"As revolutionaries, we are not afraid of confrontation. We have placed our trust in history and in peoples. But as the spokesman and interpreter of the feelings of 95 nations, it is my duty here to struggle to achieve co-operation among peoples, a co-operation which, if attained on new and just bases, will benefit all the countries composing the international community and will be a blessing for world peace."⁵

97. We are absolutely certain—and are encouraged by this—that the path of economic and social progress and that of peace are indissolubly linked to development and that there is no way to achieve the development so desired by our peoples in any atmosphere other than that of mutual respect, peace, co-operation and solidarity.

98. So, we came to these discussions imbued with the deep conviction that only by seeking fundamental solutions to the serious problems that confront the world can the international community overcome the effects of the political and economic crisis affecting it and guarantee the progress of mankind towards development.

99. We are ready to maintain this attitude despite the rather inauspicious circumstances in which this session has begun. The intransigence shown by the developed

capitalist countries almost without exception in their actions has prevailed in startling contrast to the receptive and flexible attitude and willingness to negotiate expressed by the underdeveloped countries. The statements made by the former have been designed to maintain, sometimes covertly and sometimes without disguise, the privileges that they have enjoyed and continue to enjoy in their relations with the latter. The contempt that is revealed in that position for the just demands of the developing countries that there should be a restructuring of international economic relations on the basis of justice, equity, co-operation and reciprocal benefit, besides being unacceptable, is paradoxical and silly because, instead of contributing to a real interdependence that would enable us to confront together and in concert the problems of the world economy, it leads to a worsening of tension and to an intensification of exploitation and dependency.

100. In the long process of negotiations on the new international strategy for development and in the preparations for the global negotiations, the Group of 77 has played a positive role. There is no item for discussion in which it has not made the greatest effort to arrive at a reasonable agreement; there is no refusal to which it has not replied with fresh formulas; there is no intransigent position which it has not met with the necessary flexibility, without surrendering its principles. This attitude, however, has not met with a similar response, and today we are confronted with a frustrating dialogue of the deaf in which positions are diverging instead of converging.

101. In sum, the constructive activities carried out by the underdeveloped countries during the stage of the previous discussions is an obvious example of the serious and thorough way in which we have approached the issues to be dealt with at this special session of the General Assembly. It could not be otherwise. What is at stake here is our own development and our own survival.

102. Of course, this does not mean that we conceive of the new international development strategy and the global negotiations as magic formulas to give effect to the principles and objectives of the New International Economic Order. Because we have gone through it, we are more than aware that the long and difficult process that leads to development is fraught with obstacles. To the achievement of internal arrangements that would allow for real participation by the people in the process and an equitable distribution of the income and benefits that would result therefrom we must add the struggle against those who are endeavouring to postpone the necessary change in the very essence of international economic relations.

103. At this session we have listened until we are tired to some representatives of developed capitalist countries saying that there is a need to be realistic. To our way of thinking, to be realistic is not the same as to be pessimistic. Reality should lead us all to struggle with greater verve and a greater sense of historic responsibility.

104. If we really wish to be realistic, we must refer most energetically to the tragic reality which we experience in the developing countries. The reality of the least developed countries, with a *per capita* income of \$200 contrasting with that of \$8,070 in the Western industrialized countries however untrustworthy that indicator may be, is enlightening; the reality of 62 per cent illiteracy is revealing; the reality of a life expectancy of 50 years as against 74 in the developed capitalist countries is wounding. If we are to be realistic, we must find

⁵See *Official Records of the General Assembly, Thirty-fourth Session, Plenary Meetings*, 31st meeting, para. 136.

genuine solutions to those realities and reflect them properly in the new international development strategy.

105. As developed countries we have not promoted this dialogue in order to reap tiny advantages of a purely short-term nature nor to get hand-outs or empty promises prompted by a false altruism for purely electoral considerations. We have not come here to listen to sermons from those who, setting themselves up as saviours of the world, seek in their fashion to dictate to us what the formulas for progress must be, formulas which would subordinate our development to the production of energy which they can use safely and cheaply and which measure our progress by the capability to meet environmental problems or our willingness to open our markets to the free flow of world trade.

106. But those formulas do not contain the essence of the problems that really confront us. There is no proposal being made to us to improve substantially the purchasing power of the exports of the underdeveloped countries nor to do away with unequal trade; it is not suggested to us that protectionism in its most diverse manifestations is to be eradicated from trade relations; there is no acceptance of the inescapable need for basic reform of the international monetary system or to assume responsibility for quantified pledges for financing development through global machinery without strings attached.

107. We find ourselves obliged to reject categorically the statements made at this session of the Assembly by the representative of the United States, when he mentioned the responsibility of developing countries as regards the efficient and proper use of resources with emphasis on priority areas such as energy and food. Obviously, that seeks to deny the inherent comprehensiveness of any process of genuine development and to disregard the priorities that we developing countries, in exercise of our sovereignty, lay down in our own social and economic development plans and programmes.

108. Furthermore, it is most extraordinary to listen to such a statement from a country with the highest figures for wasting energy, whose *per capita* energy consumption in terms of coal equivalent in 1978 climbed to 11,374 kilograms, while the least developed countries in the same year consumed 161 kilograms *per capita*, that is, 100 times less.

109. In this regard it is worth remembering the following words:

"I am not an advocate of frequent changes in laws and constitutions; but laws and institutions must go hand in hand with the progress of the human mind. As the human mind develops, it gains in enlightenment and, as new discoveries are made, new truths are found and customs and opinions change; and, with the change of circumstances, institutions must keep up with the times. To ask civilized society to remain always under the régime of its barbarous predecessors would be like asking a man to continue wearing the coat he wore as a child."

The descendants of Thomas Jefferson, whom no one would dream of calling a radical, would do well to practise what he preached.

110. Cuba agrees that we should work—and does work—for a common destiny for mankind, but that common destiny is feasible only if we all genuinely and unselfishly work for real development. Meanwhile, it is worth while remembering that, without development, there will be no peace for anyone.

111. The adoption by this special session of the General Assembly of the strategy for the third United

Nations Development Decade and the start of the global negotiations will be steps forward, provided that they include measures which quantitatively and qualitatively contribute to the restructuring of international economic relations, properly reflecting the interests of the underdeveloped countries and the need to attain a just and equitable international division of labour to guarantee the transition towards a new dimension of international development co-operation.

112. We must not, therefore, repeat the shortcomings which thwarted the implementation of the strategy for the decade that is now closing and which invalidated the efforts made by the so-called third-world countries to undertake a meaningful and intense economic dialogue. We must now seek to ensure that the measures included in both processes will constitute commitments on the part of the international community and not mere declarations of good intentions which generally remain unfulfilled. It is no longer possible to talk of international co-operation claiming that obligations and concessions are to be unilateral. If that is not understood and remedied, this session will not go beyond mere rhetoric and will in no way contribute to development or to a solution to the problems affecting us.

113. Despite the fact that the strategy and the global negotiations are independent and have their own existence and identity, there is a strong link between the two: the first creates the conceptual framework for the second, which, for its part, must initiate action to facilitate the application of the political measures outlined in the international development strategy.

114. We are sure that the comprehensive nature of development, to which we all aspire, also calls for the comprehensive and centralized consideration of the problems relating to raw materials, energy, trade, development and financial and monetary matters in the global negotiations. Because of their very nature, those issues are inseparable. It is therefore essential to consider them as a whole and to put forward comprehensive solutions. That does not exclude the active participation of the specialized agencies when their items are being discussed, but the centre of the final decisions must not be moved to those agencies and those decisions must be interrelated if we truly aspire to finding consistent, stable and lasting solutions.

115. That was the view of the Sixth Conference of Heads of State or Government of Non-Aligned Countries when, in its resolution No. 9,⁶ it suggested the beginning of the round of global negotiations relating to international economic co-operation for development.

116. If we do not proceed in that manner, we shall run the risk of repeating in this new process the frustrating results of negotiations held in other forums, we shall isolate aspects that are inseparable from world economic problems as a whole and we shall remain subject to the decisions of bodies, such as the IMF and the World Bank, which have only served to maintain the injustices and inequalities which characterize the present international economic order.

117. Within the general context of major problems, the tragic financial and monetary situation of the developing countries is such that their indebtedness has assumed unheard of proportions. Hence the formula put forward by President Fidel Castro, in his report last year to the United Nations General Assembly, with a view to attaining a contribution of resources, in addition to those already pledged, of no less than \$300 bil-

⁶See document A/34/542, annex, sect. VI, part B.

lion⁷ over the next decade, in the form of grants and soft credits, to meet the financial needs and human and material requirements of development. This idea, supported by the countries of the so-called third world, was also recognized as a valid alternative by major study groups in the Western world, which today agree on the need to ensure a massive transfer of resources to the developing countries.

118. On the other hand, genuine and basic reform of the international monetary system, based on the principles of universality, justice and equity, must be encouraged.

119. The energy problem is also included among the totality of issues with which we must deal here. We support the approach that holds that energy is inseparable from the other items on which negotiations are to take place; it must be considered within a global framework, without establishing differences that affect the over-all view that is necessary.

120. This question has been referred to in a most pertinent and responsible way by the President of Mexico, Mr. José López Portillo. We must, without any doubt, focus our attention on his proposal for a world energy plan. There are other specific measures and proposals to confront the energy problem which are interesting and encouraging—for example, the recently signed agreement between Venezuela and Mexico and the valuable initiatives taken by Algeria and Iraq.

121. We would mention in particular the least developed nations and other nations in the developing world that are in the special categories recognized by the United Nations system. We must extend our solidarity to those countries in practical programmes which, within the context of the solution of structural problems facing all the underdeveloped countries, will enable them to find urgent solutions to their pressing economic and social problems.

122. As we approach global negotiations for international economic co-operation, we the underdeveloped countries propose also to expand economic and technical co-operation among ourselves as an essential supplement to, and a means of joining forces for the best use of, the human, natural, technological and financial resources on which we rely for our individual and collective development.

123. Some progress has been made, but there is still a long way to go. Among the most recent achievements we note the continuing implementation of the Programme of Action for Economic Co-operation adopted by the Non-Aligned Movement, the strengthening of the Latin American Economic System as an organ for regional co-operation and consultation in Latin America, and the conclusion by the Conference of Heads of State of the countries members of the Organization of African Unity of a Programme of Action for the Development of Africa—an initiative that we welcome.

124. The basic task now lies in bringing about co-operation on concrete objectives and programmes to meet the most varied needs and interests. That is the duty of all the developing countries of the world. Our country—small, the victim of a blockade for decades, suffering difficulties inherent in underdevelopment, but firmly convinced of the justice of pursuing an international policy of solidarity—furnishes an example. More

than 15,000 Cuban doctors, teachers, specialists and technicians in different branches of the economy and the social sector are making their modest contribution to the development of countries of Asia, Africa and Latin America. That is one way of acting consistently with the principles we defend.

125. Before concluding, I should like to say again how much importance Cuba attaches to an end to the arms race, to disarmament, to détente, and to all measures that can promote peace and international security. That would create a political atmosphere which would facilitate the economic and social development of our peoples and in addition would release large sums of money, a considerable part of which could be earmarked for development and the solution of the pressing economic and social problems besetting the world today. It would be one means—if not the only means—to increase considerably the transfer of financial, material and human resources to the developing countries.

126. None the less, the urgency and magnitude of the problems of financing development do not give us much grounds for hope. For without a massive additional flow of resources, in conditions that will allow them to be assimilated, there will really be no practical meaning to many of the measures that can be agreed upon in regard to raw materials, trade, development and the transfer of technology. As our President, Commander Fidel Castro, said:

“It is imperative that these additional funds be mobilized as a contribution of the developed world and of other countries with resources to the underdeveloped world over the next 10 years. If we want peace, these resources will be required. If there are no resources for development, there will be no peace.

“ . . .

“Some may consider our demand irrational, but where the true irrationality lies is in the world's madness in our era and in the threats and perils which hover over mankind.

“ . . .

“Let us say farewell to arms, and let us in a civilized manner dedicate ourselves to the most pressing problems of our times. This is the responsibility, this is the most sacred duty of the statesmen of all the world. Moreover, this is the basic premise for human survival.”⁸

127. Mr. BOLOKOR (Nigeria): Permit me, Sir, to express my personal satisfaction and the pleasure of my delegation at seeing you presiding over this special session of the General Assembly. Your varied experience and abilities are uniquely required at this time, when the world community is engaged in a renewed effort to bring justice and a new order to international economic relations.

128. The independence of Zimbabwe and its admission only a few days ago to this Organization as the 153rd Member highlight, and indeed redefine, in the view of my delegation, the political and economic significance of the New International Economic Order. Let me say here that the movement for colonial freedom was the precursor of today's crusade for fair and equitable international economic relations which will permit the even development of all countries through a readjustment of world economic power relationships. The rugged road to Zimbabwe's independence brought into

⁷See *Official Records of the General Assembly, Thirty-fourth Session, Plenary Meetings*, 31st meeting, para. 127.

⁸*Ibid.*, paras. 128, 132 and 147.

sharper focus the exploitative nature of the present international economic system, based on imperial patterns of thought and relationships, which deny equality of opportunity for all.

129. This special session cannot afford to fail. The near-total resistance to change that has characterized the course of global negotiations to bring about a balance of interests is injuring all nations, large and small. The time has come to make a resolute and sustained effort to end the status of total economic dependence of some States upon others, which stunts mutually beneficial initiatives. More importantly, the lack of freedom of action on the part of the developing countries has been an insurmountable obstacle to their promotion of the economic and social well-being of their people. The assertion of permanent control by these countries over their natural resources and economic activities is a legitimate expression of and logical corollary to their political sovereignty and independence.

130. The aspirations and expectations generated by the sixth and seventh special sessions of the General Assembly have almost dissipated in the wake of lost opportunities in the North-South negotiations. We therefore see as part of the task of this session a need to take stock of the current world situation, to assess the achievements, if any, so far, and to work purposefully towards the attainment of the goals and objectives of the New International Economic Order. We must courageously identify and acknowledge areas of discernible progress. But also we must not fail to acknowledge areas of frustration and disappointment.

131. The world economy is today bedevilled by many adverse factors. The inflation generated in the developed countries is invariably transmitted to developing countries in the form of unrealistically high prices for their essential imports. The shrinking rate of resource flows for development has manifested itself in the form of retarded and in some cases negative growth. The developing countries are continually denied real access to the balance of payment support facilities and development finance of the major international financial institutions. The conditions imposed by the institutions for prompt assistance have proved politically and socially destabilizing in most developing countries. The deterioration in the terms of trade of the developing countries and the lack of progress in the establishment of international commodity agreements have rendered impossible a predictable generation of income and resources to finance their development and to service their ever-growing external debt burden. The weak economic structure of the least developed countries offers no attraction for direct private investment. Consequently, they have no alternative but to resort to further borrowing in the capital markets.

132. Efforts to improve the structure of commodity markets, as called for by the Programme of Action on the Establishment of the New International Economic Order [*General Assembly resolution 3202 (S-VI)*], as further elaborated at the fifth session of the United Nations Conference on Trade and Development (UNCTAD) in UNCTAD resolution 124 (V)⁹ on the Integrated Programme for Commodities, have fallen far short of the modest expectations of the developing countries. In particular, progress in the negotiations for individual commodity agreements and arrangements has been painfully slow. Indeed, the situation becomes more alarming when we witness the disintegration of an existing commodity agreement—namely, the Cocoa Agreement—due to the intransigence of developed consumer countries. The one encouraging sign in the area

of commodities was the adoption by UNCTAD of the articles of agreement on the Common Fund for Commodities,⁹ a step my delegation warmly welcomes.

133. In the field of trade and industrialization the picture is equally gloomy. The much-heralded Tokyo round of multilateral trade negotiations within GATT utterly failed to take into account the concerns of the developing countries. The Third General Conference of UNIDO held at New Delhi from 21 January to 9 February 1980 was yet another fruitless meeting at which the developed countries rejected the constructive proposals of the developing countries on measures designed to facilitate realization of the modest Lima target of a 25 per cent share of world industrial production by the developing countries by the year 2000.

134. Obviously, the international economic situation is most precariously poised, but the greatest danger lies in the diminution of the spirit of international understanding and co-operation leading to abandonment of commitments and goals as well as the inability to determine priorities which would ensure stability and equality in international economic relations. Given that background, the Brandt Commission's report and recommendations¹⁰ deserve much more attention and consideration than they are receiving at the moment. The Commission's analysis of the international situation is as grave as it is eminently relevant to our current deliberations. Its recommendations concerning the need for a massive transfer of resources from the rich nations to the poor ones are far-sighted, as they constitute some of the seminal ideas of the New International Economic Order in need of urgent implementation.

135. The developed countries' record of progress in the transfer of real resources to the developing countries is deplorable. The internationally agreed target of 0.7 per cent of gross national product is far from being reached, while some developed countries have had no difficulty in intensifying their expenditure on the dangerous arms race. Annual military expenditure, as compared to the \$20 billion granted as official development assistance, has reached \$500 billion, posing the most ominous threat to peace and development.

136. My delegation welcomes the establishment of IFAD to which Nigeria has already committed substantial resources in keeping with the importance it attaches to the food and agricultural sector. We have also accepted the guidelines of the World Food Council for the establishment, within our national programme for the food sector, a strategy consistent with our determination and resolve to become self-sufficient in food production. We have already registered our appreciation of the limited success of the United Nations Conference on Science and Technology for Development held at Vienna from 20 to 31 August 1979, and we have pledged substantial financial support for the United Nations Interim Fund for Science and Technology for Development.

137. Some developed countries have blamed all existing economic woes—high rates of inflation, the mounting debt of the developing countries, and so on—on the current price of oil. Needless to say, we do not share that view. Take the case of the developing countries, for instance. Oil accounts for only 20 per cent of the import bill of the non-oil-producing developing countries. The

⁹See document TD/IPC/CF/CONF/26.

¹⁰See *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).

developing countries consume only 15 per cent of all commercial energy. And three quarters of that is accounted for by only six developing countries. Few developing countries buy oil direct from oil-producing countries. The enormous profits of the big transnational oil companies, the high cost of food and manufactured goods, as well as the inflation imported from the industrialized countries, contribute significantly to the current account deficits of the non-oil-producing developing countries.

138. To say that is not to argue that oil can be isolated from the global impact of world inflation. Far from it. But it does mean that the price of oil is dependent on the escalating cost of imported capital equipment, and on the erosion in the earnings of oil-exporting countries that results from international monetary instability and currency fluctuations. On the other hand, since it is a depletable asset that constitutes the mainstay of their economies, the current price of oil is inextricably linked with the issue of the economic development of the oil-exporting countries involving the notion of a time-frame within which they can rely on that resource for their future well-being. Moreover, petroleum is far too precious a resource to be wastefully depleted in the manner we have witnessed in the past. Efforts must therefore be intensified to conserve energy and to work towards the success of the United Nations Conference on New and Renewable Sources of Energy scheduled for next year.

139. Above all, emphasis and recognition should be given to the significant role that the Organization of Petroleum Exporting Countries (OPEC) has played in the implementation of the programme of action of the New International Economic Order, particularly in promoting effective economic co-operation with the other developing countries within the framework of economic co-operation among developing countries. The flow of assistance from the Organization of Petroleum Exporting Countries to other developing countries is on an average far greater than 2 per cent of their gross national product, as compared to the performance of the industrialized countries in the area of official development assistance. Measures have also been taken by several OPEC members to enable other developing countries to obtain an assured supply of oil at on-going rates on mutually beneficial payment schedules. Individual OPEC members, relying on their financial resources, have entered into joint industrial and agricultural ventures with neighbouring or other developing countries to the mutual benefit of the partners.

140. My delegation has an unshakeable belief in the efficacy of what the developing countries can do to promote co-operation among themselves. For us the concept of economic co-operation among developing countries has a definite significance. That is why Nigeria has participated actively in the work of UNCTAD to promote economic co-operation among developing countries in pursuance of the Arusha programme of action.¹¹ The Group of 77, meeting recently in June 1980 at Vienna, Austria, adopted a detailed programme of implementation on a purely South-South basis. We look forward to continued co-operation with other developing countries in implementing the Vienna programme, notably in the areas of trade, industrialization, food and

agriculture, and energy, as well as the exchange of information on research and development.

141. Our own experience in the West African sub-region is also quite significant. A flourishing and viable Economic Community of West African States (ECOWAS), which has a membership of some 17 States and serves a community of more than 100 million, has been established. Similar arrangements are under consideration in other parts of Africa. Consequently, in the Final Act of Lagos adopted at the first Economic Summit Conference of the Organization of African Unity held on 28-29 April 1980, African countries committed themselves to the establishment of subregional economic commissions during this decade and to the integration of those subunits into an African economic community by the year 2000.

142. We believe that the work of this special session will be incomplete if the special plight of Africa remains unalleviated. Africa, which provides one third of the membership of this Organization, is endowed with abundant natural and human resources. According to 1978 figures, Africa produced 846,000 metric tons of the total world production of cocoa beans, which represents 70 per cent of the world total; 1,091,000 metric tons, or a third of the total world production of coffee; and, outside North America, it is the second largest producer of groundnuts. Africa has 97 per cent of the known world reserves of chromium; 85 per cent of its platinum; 64 per cent of the world's manganese; 25 per cent of the global reserves of uranium; 13 per cent of the world's reserves of copper; 20 per cent of traded oil, excluding the United States and the Soviet Union; and it produces 50 per cent of the total world output of palm produce.

143. Despite this impressive list, the continent remains the poorest and least developed region of the world. Of the 32 countries in the least developed category, 21 are in Africa. Those unenviable distinctions may be due to the fact that Africa is the last continent to be decolonized and freed from the unmitigated pillage of racist and colonial Powers.

144. The economy of Africa has been unable to shake itself loose from its dependence on the economies and vagaries of countries physically and philosophically far removed from its shores. The rudimentary nature of the economic activities Africa inherited from the colonial past has proved almost impossible to repudiate, without incurring grave consequences in transnational adjustment. Most of the technical components of production, transportation, marketing, skilled manpower, technology, capital goods and services, financial as well as physical and institutional infrastructure are still generated exogenously. These components of production derive from the policies and philosophies of foreign economies.

145. With the deplorable state of the economy of Africa as the main focus of deliberations, and with the realization that the continent's economic salvation must be found within the potentials of intraregional co-operation, the first Economic Summit of the Organization of African Unity was held at Lagos, Nigeria, from 28 to 29 April 1980. With active collaboration between the Organization of African Unity and the Economic Commission for Africa, African Heads of State and Government adopted the Lagos Plan of Action and Final Act, which embrace wide-ranging measures aimed at establishing a coherent approach to continental economic co-operation and development. The following philosophical guidelines, adopted by the Lagos Summit as the basis of future African economic endeavours, are relevant in our consideration of the new international

¹¹ See *Proceedings of the United Nations Conference on Trade and Development, Fifth Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.79.II.D.14), annex VI.

development strategy for the Third Development Decade:

“(i) Africa’s huge resources must be applied principally to meet the needs and purposes of its people;

“(ii) Africa’s almost total reliance on the export of raw materials must change. Rather, Africa’s development and growth must be based on a combination of Africa’s considerable natural resources, her entrepreneurial, managerial and technical resources and her markets (restructured and expanded) to serve her people. Africa, therefore, must map out its own strategy for development and must vigorously pursue its implementation;

“(iii) Africa must cultivate the virtue of self-reliance. This is not to say that the continent should totally cut itself off from outside contributions. However, these outside contributions should only supplement our own efforts, they should not be the mainstay of our development;

“(iv) As a consequence of the need for increased self-reliance, Africa must mobilize her entire human and material resources for her development;

“(v) Each of our States must pursue all-embracing economic, social and cultural activities which mobilize the strength of the country as a whole and ensure that both the efforts put into and the benefits derived from development are equitably shared;

“(vi) Efforts towards African economic integration must be pursued with renewed determination in order to create a continent-wide framework for the much needed economic co-operation for development based on collective self-reliance.” [See A/S-11/14, annex I, para. 14.]

146. Like many African Ministers and spokesmen who have already spoken here, my delegation earnestly expects that the issues which the Economic Summit Conference of the Assembly of Heads of State and Government of the Organization of African Unity addressed at Lagos on 28-29 April 1980, on food and agriculture, industry, natural and human resources, science and technology, transport and communications, trade and finance, as well as measures to build and strengthen economic and technical co-operation, including the creation of new institutions and the strengthening of existing ones, will be fully reflected in the final documents on the international development strategy and the global negotiations.

147. African nations know their problems. They have mapped out the course which they hope will transfer their economies from their present rudimentary stage to one in which they can compete more effectively in world economic activities. It is not too much to ask, therefore, that the international community should give us its fullest support to make this dream a reality.

148. This special session must adopt a worthwhile new international development strategy for the 1980s. It must agree on the agenda, mechanisms, time-frame and other issues for launching the global negotiations next January. We have a unique opportunity to negotiate a truly equitable basis for the international economic order. The Group of 77 has already shown a commendable degree of initiative, innovative thinking and flexibility. I hope that the developed countries will match their words with commitment to a common future for mankind. This is an opportunity to redeem the failures of the past. It is an opportunity which should not be missed.

149. Mr. EL-JARWAN (United Arab Emirates) (*interpretation from Arabic*): It gives me great pleasure to extend to you, Mr. President, on behalf of the United Arab Emirates, my sincere congratulations on your election as President of this special session of the General Assembly.

150. That election, Sir, following your presidency at the seventh emergency special session and the thirty-fourth regular session of the Assembly, is evidence of the extent to which your wise presidency enjoys the confidence and appreciation of the international community. It is indicative also of great respect and esteem for you personally and for the State which you represent.

151. We should also like, Sir, to reaffirm for the third time our total readiness to co-operate with you in the achievement of the objective of this important session.

152. We also wish to take this opportunity to express our appreciation to the Secretary-General, Mr. Kurt Waldheim, for his efforts and endeavours towards the strengthening of our Organization and the establishment of a world characterized by peace, security, justice and prosperity.

153. It is with great pride that we welcome Zimbabwe to membership in the United Nations. The struggle of the Zimbabwean people against colonialism, racism and minority rule, waged with unprecedented sacrifice, is a model to be imitated and is evidence for the fact that the future belongs to the struggling peoples in southern Africa and Palestine.

154. This session is taking place in difficult world economic conditions. Indeed, today the world is witnessing further disorders in this field and world-wide inflation is escalating continuously. Hunger and disease are threatening millions of human beings with death. Yet international efforts are too slow and have been limited to holding meetings and making recommendations.

155. Most of the credit for initiating this momentous effort at the international level is due to the Non-Aligned Movement. The Heads of State or Government of that Movement adopted several resolutions at their fourth conference held at Algiers from 5-9 September 1973. Among the most important of them was the call for the establishment of a more just and equitable international economic order capable of achieving progress and preserving peace for mankind. Then came the sixth and seventh special sessions of the General Assembly, held in 1974 and 1975 respectively, at which resolutions were adopted calling for the establishment of a New International Economic Order and setting out a Programme of Action for that purpose. The international negotiations held at UNCTAD last June have resulted in the establishment of a Common Fund for Commodities. We should recall too the international efforts made at the Conference on Economic Co-operation—the so-called North-South dialogue—held in Paris in 1975 and 1977. To achieve further progress the Committee of the Whole was formed in accordance with General Assembly resolution 32/174, and that Committee has met in three sessions in New York.

156. Those international efforts made so far have failed to achieve even the minimum expected and yearned for by the millions of people of the third world. They have been disappointing owing to the lack of political will evinced by the industrialized countries, which has resulted in a widening of the existing gap between the developed industrial countries and the poor developing countries. Unless the international community steps up its efforts to narrow this gap, the current

world economic situation may set the international community on a dark road.

157. The United Arab Emirates is aware of the fact that the world economy is suffering from the most dangerous crisis of modern history. Inflation, recession, fluctuations in exchange rates and the persistence of the industrial countries' protectionist measures characterize today's world. This crisis, which stems from the existing economic order, is being felt by all people, particularly those of the developing nations.

158. Partial solutions have been proposed for dealing with current international economic problems but solutions cannot be achieved except within the framework of a comprehensive approach because of the interdependence, in essence and in fact, of all the world's economies. That interdependence underlines the need for a comprehensive approach. The Bretton Woods Conference, held in 1944, gave the international economic situation after the Second World War a character that was mainly favourable, first of all, to the trade needs of the industrial countries and was devoid of any attention to the needs of the developing countries.

159. My delegation does not wish to dwell at length on an explanation of the causes and remedies of international economic problems. There are working groups connected with this special session which are capable of studying those problems and their solutions. My delegation is represented in those groups and will express its views regarding the problems set out in the agenda of this special session. But it is important for us here to express our dissatisfaction with the increase in global military expenditures. We also detect escalating attempts to develop weapons of mass destruction. Further, we notice that the industrial States shed false tears over the future of mankind in the developing countries and that they pretend to be extremely concerned at the sufferings of the so-called least developed countries. The real fact is that the industrial countries are providing very little assistance to the developing countries, and this is linked to politics. As to the needs of development—transfer of technology, provision of banking facilities, limitations on protectionist measures—the industrial countries have been reluctant to offer them to the developing countries.

160. It is sufficient here to refer to the fact that the combined foreign debt of the developing countries is now in excess of \$400 billion, despite the fact that all those countries had been subjected for many years to foreign domination, while military expenditures by the industrial countries has exceeded \$500 billion.

161. The United Arab Emirates, which is a developing country, became independent less than nine years ago, and it had to start building schools, hospitals and roads and subjugating the desert to the will of man. Its aim has been to build a modern society for present and future generations, and it still has a long and arduous way to go in this process. Yet we have not forgotten the suffering of the other developing nations. My country has, for instance, provided financial aid to more than forty developing countries on various continents. This aid amounts to more than 17 per cent of my country's gross national product, and in some years that figure has exceeded 25 per cent, while industrial countries have refused to commit themselves to allocating 1 per cent of their GNP to assistance to the developing countries.

162. In that connexion, we have not failed to fulfil our commitments to various regional and international organizations for assistance to developing countries. We have also established the Abu Dhabi Fund for Econo-

mic Development to provide assistance for developing countries.

163. We have all listened to the representatives who spoke before me, some of them attributing the problems of recession, world inflation and the international economic crisis to what has become known as the energy crisis. By that they mean the rise in oil prices. Despite the attacks made by the Western information media against the members of the Organization of Petroleum Exporting Countries, particularly the Arab countries producing petroleum, we find that the actual beneficiaries of the rise in oil prices are the oil companies and Governments of the industrial countries. For instance, the profits of the Standard Oil Company of California during the first quarter of 1979 increased by 400 per cent, and those of the British Petroleum Company by 230 per cent. The increase in the profits of American companies has exceeded all expectations and the same applies to the profits of the Dutch, British, Japanese and other companies operating in the oil-producing countries.

164. We find also that the industrial States are imposing a tax of up to 50 per cent on each barrel imported. There is no doubt that such a tax increases inflation in the industrial countries, which then export that inflation to the developing countries.

165. It is ironic that the industrial countries are asking the oil-producing countries to sacrifice the interests of generations of their peoples for the sake of the peoples of the developed countries by increasing the production of their natural resources—oil and others—at the lowest prices. At the same time, the industrial countries claim that they cannot take measures to control the waste of oil, energy and other raw materials. Yet they are denying the developing countries their right to preserve their natural resources.

166. My delegation is of the opinion that the energy crisis cannot be isolated from the crisis of raw materials and manufactured goods. Attempts made by the industrial and other countries to discuss oil prices in all international conferences and to deal with them separately are unjust and unrealistic. They may lead to negative results at the present session.

167. My delegation believes that the solution of current international economic problems will be possible only through a comprehensive solution embracing all components of the current international economy, that is to say, through the establishment of a New International Economic Order. It believes also that economic issues cannot be separated from political issues. The problem facing the Arab countries—Israeli occupation and the denial of the right of the Palestinian people to establish their own State on their national soil—is one of the major obstacles to development in the region. This applies also to the African front-line States whose resources have been looted and depleted and whose infrastructure is being destroyed by the racist régime of South Africa.

168. In conclusion, we wish to express our hope for the success of this session in achieving the objectives for which it has been convened, namely the establishment of a New International Economic Order based on equality and justice. We wish also to affirm our readiness to co-operate fully towards the achievement of the aspirations of mankind for peace and prosperity.

169. Mr. DASHTSEREN (Mongolia): My delegation would like to congratulate you, Sir, once again on your assumption of the presidency of the eleventh special session of the General Assembly and is convinced that

this session will benefit a great deal from your wisdom and experience.

170. On behalf of the Mongolian people and its Government, my delegation extends its warmest congratulations to the delegation of Zimbabwe on its country's admission to the United Nations. We should like to take this happy opportunity to pay a deserved tribute to the heroic people of Zimbabwe which has gained its independence through a long and courageous struggle and wish them every success in the consolidation of their gains and prosperity.

171. Six years have elapsed since the adoption of the Declaration and the Programme of Action on the Establishment of a New International Economic Order [General Assembly resolutions 3201 (S-VI) and 3202 (S-VI)] and the Charter of Economic Rights and Duties of States [General Assembly resolution 3281 (XXIX)], which laid down the foundations for restructuring international economic relations on a democratic and equitable basis.

172. During these years tireless efforts have been made by the world community, especially by the developing countries, to bring about the realization of the recommendations of those important documents in order to ensure the development of international economic relations on new and just principles. However, the painstaking endeavours for all these years have proved futile. The main reason for this state of affairs, as many representatives have rightly pointed out, lies first and foremost in the lack of political will for positive and realistic negotiations on the part of the developed capitalist countries, which persist in their attempts to preserve the unjust and inequitable international economic order in the best interests of the imperialist monopolies.

173. The unwillingness of the Western Powers to negotiate in a constructive manner is made still worse by the present economic crisis of the world capitalist economy. The phenomena of the present economic crisis, such as inflation, unemployment, price rises and deterioration in the balance of payments, have an adverse effect on the economies of the developing countries as a whole and on their foreign economic, trade and financial relations in particular.

174. In addition to the consequences of the colonial past, the neo-colonialist policy of plunder and exploitation and the crises of the world capitalist system have further worsened the economic situation of the developing countries. This can be seen in particular from the drastic decline in the share of the developing countries in international trade which has fallen to 15 per cent as compared to 30 per cent in the 1960s.

175. The developing countries' share in the export of industrial products today makes up only 2 per cent. Nearly half a billion people in the developing countries are unemployed, three fourths of the population live below the poverty line, and 800 million people are illiterate.

176. The grave situation prevailing at present in the economic and social fields in developing countries and in the sphere of international economic relations is further aggravated by the escalation of the arms race waged by the military industrial complex of Western countries. In this connexion one cannot but agree with the statement pronounced in the communiqué issued by the Ministers of States members of the Group of 77 [A/S-11/19, annex] at a meeting on the eve of this session when they noted with great concern the harmful effects of the arms race and growing international ten-

sion on the developmental efforts of the developing countries and on international economic co-operation. They rightly called for concrete progress towards the goal of general and complete disarmament under effective international control, including the urgent implementation of disarmament measures which would release substantial additional resources that could be utilized for social and economic development, particularly for the benefit of the developing countries.

177. Mongolia, as other socialist countries, fully shares this grave concern, in view of the fact that the forces of imperialism, reaction and hegemonism are now making every attempt to disrupt the process of international détente and whip up a war hysteria on various false pretexts.

178. Mongolia has always proceeded from the premise that the establishment of a New International Economic Order can be achieved only in conditions of peace and security. Indeed, the development of world events convinces us that détente, disarmament and development are destined to go hand in hand. In this context I wish to point out that it is not for nothing that United Nations documents pertaining to disarmament issues always emphasize a close relationship between disarmament and development.

179. It is no accident that the socialist countries consistently come out with constructive initiatives aimed at ending the arms race, bringing about practical measures of genuine disarmament, *inter alia*, by reducing the military budgets of States permanent members of the Security Council and other States with significant military and economic potential, and allocating part of the resources thus saved to the promotion of the economic development of the developing countries. The early implementation of this particular proposal would be a concrete and practical step towards curbing the arms race for the benefit of developing countries.

180. The Mongolian People's Republic has followed closely the discussions and deliberations held in the framework of the United Nations on the assessment of the previous development strategy and the preparation of a new international development strategy for the third United Nations development decade.

181. The Mongolian People's Republic, which in the past experienced foreign domination and feudal oppression, has always displayed understanding of and support for the struggle of the developing countries for their economic independence and progress. It is in this spirit that my delegation supports developing countries in their endeavour to work out the international development strategy for the third development decade.

182. A great number of delegations, in particular from the developing countries and socialist States, has already outlined the guidelines and elements of the new international development strategy for the third United Nations development decade. Therefore, I shall restrict myself only to the points that we consider essential.

183. In order to make the new development strategy a success, radical social and economic transformations in developing countries should be envisaged. The United Nations and specialized agencies should encourage such reforms and assist in carrying them out.

184. We share the view that the mobilization of natural and human resources for development in the interest of the masses and the enhancement of the role of State and national planning in safeguarding sovereignty over development, mutually beneficial investment, strict and effective control over the activities and operations of the transnational corporations, and

national sovereignty over the natural resources will accelerate the establishment of a New International Economic Order.

185. Along with external aid based on fair and just principles, intensified efforts by countries themselves are essential to create and develop their national economies.

186. In this context, due account should be taken of the positive role of the public sector in mobilizing internal resources, formulating and implementing overall national development plans and establishing national priorities. As is known, the role of the public sector continues to grow in scope and importance in all aspects of national development in developing countries.

187. Another equally important point is that developing countries need trained and qualified national personnel for their social and economic development. We note with satisfaction the activities undertaken by the United Nations in that direction, as well as the proper reflection of this matter along with the role of the public sector in the draft of the new international development strategy for the third United Nations development decade.

188. We consider that the adoption of effective measures for the speedy liquidation of vestiges of colonialism, neo-colonialism, *apartheid* and all forms of discrimination, domination, *diktat* and foreign interference will remove the main obstacles in the way of economic and social progress in developing countries and fruitful, mutually advantageous international relations.

189. As to the launching of the global round of negotiations, our position is reflected in the joint statement of the socialist countries made at the end of the sixth session of the Committee of the Whole [see *A/S-11/1 (Part IV), annex III*]. However, we should like to emphasize once again that the main purpose of such negotiations is to promote the restructuring of international economic relations on a just, equitable and democratic basis.

190. As far as the procedure for such negotiations is concerned, my delegation holds the view that any decision to be arrived at as a result of those negotiations should be taken on the basis of consensus.

191. With regard to the concept of the equal and universal responsibility of all States for the accelerated development of developing countries, my delegation holds a somewhat different point of view. If anyone is to be held responsible for the backwardness of developing countries, that responsibility should rest exclusively on those who have created the system of colonial and neo-colonial exploitation and are making every attempt to preserve that outdated system.

192. Mongolia, once one of the most backward, semi-colonial and semi-feudal countries of the East, has now become a rapidly developing socialist State. This has become possible only because Mongolia has chosen the non-capitalist way of development, and from its first days established relations of true friendship and all-round co-operation with the Soviet Union. Based on complete equality, respect for sovereignty and disinterested assistance, those relations evolved into a powerful factor spurring the eradication of the economic and cultural backwardness inherited from the past and Mongolia's advance along the road to socialism. This was the prototype of the new international links that have been developed and enriched in the relations between countries of the socialist system. My country's

60 years of experience vividly proves the correctness of the way chosen by the Mongolian people.

193. Mongolia is now an agrarian-industrial State with an industrial output accounting for 70 per cent of the nation's total product and 27 per cent of the national income.

194. Mongolia's nearly 30 years' membership in the Council for Mutual Economic Assistance (CMEA) and its participation in the Comprehensive Programme of Socialist Economic Integration have played a vital role in ensuring the highest possible effectiveness and pace of its economic development. Mongolia, which is in the category of the less industrialized CMEA countries on account of the specific conditions of its development, from the outset of its socialist economic integration has received special treatment and been given advantageous conditions of co-operation. The Comprehensive Programme stipulated that within the framework of the general problem of the gradual drawing together and levelling up of the economic development of the CMEA countries, special attention shall be given to ensuring the accelerated growth and efficiency of the economy of the Mongolian People's Republic. As the membership of the Council has expanded, the privileges granted to Mongolia have been extended to Cuba and Viet Nam as well.

195. Both prior to the adoption of the Comprehensive Programme and during the period of its implementation, Mongolia has been rapidly building a modern industry with the assistance of the Soviet Union and other CMEA countries, on the basis of long-term soft loans, including non-repayable assistance. Long-term credits at a low interest rate of 2.3 per cent repaid with products from enterprises built with those credits or with traditional export goods enable our country to finance capital construction on a growing scale.

196. By 1978 a total of 345 installations, 117 of them of an industrial nature, had been built in Mongolia with the technical assistance of the Soviet Union alone. Over the period of the sixth Five-Year Plan covering the period 1976-1980, an additional 240 facilities will be built and large-scale aid for the development of virgin lands and the construction of residential housing will be provided. In addition to the projects just mentioned, the German Democratic Republic, Poland, Czechoslovakia, Hungary and Bulgaria render us technical assistance in constructing different enterprises, surveying for natural wealth, studying effective ways of boosting farm production, developing the infrastructure and building up a scientific and technological potential.

197. It is the correct combination of external and internal factors of economic growth that ensured the dynamic and steady economic development of socialist Mongolia. The enormous significance of our country's economic co-operation with the Soviet Union and all the other members of the socialist community lies precisely in the fact that it helps to enlarge our own potential for economic growth.

198. In the view of my delegation, this new type of economic co-operation based on the principles of equality, mutual assistance and mutual benefit, represents the essence of the New International Economic Order.

199. Today, when the majority of countries of Asia and Africa have achieved political independence and taken the road of independent development, the experience of the non-capitalist way of development acquires ever greater international bearing.

200. My delegation is pleased to note that the United Nations has become actively involved in the study of the problem of the non-capitalist way of development. In that connexion my delegation would like to refer to the United Nations seminar on the role of new concepts in the development process, held recently at Ulan Bator, and its recommendations which suggested that the experience of the non-capitalist way of development should be studied.

201. I have briefly outlined the views of my delegation on the issues under consideration and, in conclusion, I wish to assure you, Mr. President, that my delegation will make every effort to contribute to a successful conclusion of the work of this session.

202. Mr. MUGANGA (Burundi) (*interpretation from French*): Mr. President, the reasons for our satisfaction at seeing you presiding over the work of this special session go beyond your well-known competence and your unanimously recognized personal qualities. Your country, the United Republic of Tanzania, is known for having chosen to uphold the just causes which it has always defended with constancy and lucidity, to which we are pleased to pay a tribute. In the difficult circumstances surrounding this debate, you may rest assured, Sir, of the support of my country, which is linked to yours by history, geography and the common struggle uniting us.

203. Before broaching the problems that this Assembly must take up, I should like, on behalf of the Republic of Burundi, to hail the admission of Zimbabwe to membership in the United Nations. For having won, weapons in hand, its right to independence, which was so long denied it and flouted, the people of Zimbabwe has compelled all of us to admire it and strengthened the hope of those still struggling for their freedom and dignity.

204. To the Republic of Zimbabwe, we address our most fraternal wishes for success in its immense tasks of national reconciliation and reconstruction.

205. The presence at this special session of numerous important personalities underlines both the disquiet that all peoples represented here feel, in view of the prolonged crisis in the world economy and the hope of finally seeing the international community embark on a more equitable path in international economic relations. For it is really justice which is at stake. What we are seeing and what we are living through are the consequences of the failure of an unjust economic system based on the exploitation of the poor by the rich.

206. It is the failure of the order conceived by the rich for the rich which is rooted in the exploitation of the raw materials of the countries of the third world. It is the failure of a system whereby international trade and technology are at the service of the wealthy countries alone because it consecrates the law of might makes right. It is the failure of an economy based on cheap energy. Finally, it is the failure of an international monetary system consecrated by the Bretton Woods Agreements, which has proved itself unjust for third-world countries and shown those who designed it its ineffectiveness and its unadaptability to the present situation.

207. That failure does not date from today. The third world has always denounced the lack of adaptation of the international economic system to the present situation. But this anachronistic order has been maintained by the industrialized countries because it promoted their prosperity without a *quid pro quo*. Only when crisis struck did these countries realize that the system on

which they had built their prosperity had built-in structural defects. What has been called the "oil shock" served as detonator to explode an economic order based on the elements of its own destruction. That made it possible to start a dialogue at the sixth and seventh special sessions of the General Assembly.

208. Hope was born. It vanished in the interminable negotiations where the developed countries and the third world were speaking two irreconcilable languages. The first had to get out of a crisis deemed to be short-term, and re-establish the world order; for the second it was an opportunity to establish bases for genuine international co-operation founded on the equality of rights and duties, justice and equity. We must note that the path taken has been short and the results meagre.

209. A minority of countries are continuing to build their prosperity at the expense of other peoples that are overwhelmed by hunger, disease, ignorance and natural disasters.

210. Efforts have been made with the creation of the Common Fund for Commodities, but the essential remains to be done, not to stabilize the export earnings of third-world countries but to guarantee them a purchasing power enabling them to support their own development efforts. It is in that way that international trade will stop being an instrument of exploitation of the poor by the rich to become a link of solidarity with humanity.

211. The monetary and financial system resulting from the Bretton Woods Agreements, despite its anachronistic and unjust nature, continues to govern international economic relations. The creation of new liquidity, the demonetization of gold and the establishment of floating exchange rates, which were intended to save the crisis-ridden world economy, have only worsened a situation that is already disquieting for the developing countries. Inflation has intensified, jeopardizing the balance of payments of our countries, at the same time reducing the capacity to import for our own development efforts.

212. If instead of having recourse to the habitual subterfuges, the developed countries had taken note of the failure of the present international monetary system and set in motion the hoped-for reforms, by establishing, in particular, a link between the creation of new international liquidity and the development of the least developed countries, there is no doubt that the effects of the present crisis would have been mitigated. But if this ill is to be cured, it must be attacked as a whole. Each time we have adopted a sectoral approach and neglected to examine the aspects of several sectors at the same time, the result has always been failure. Under the pretext of respect for existing bodies, we cannot allow ourselves to deal within different frameworks with problems as closely linked as those of commodities, international trade, monetary and financial matters and energy. Those sectors have organic links forming a whole. It is therefore only by dealing with those problems in the global negotiations and following a consistent and integrated approach that a solution will be found. Some fear that solution because it would put an end to the privileges accorded to them by the injustice of the present system. That is why procedures which are only delaying tactics are being proposed to us for the negotiations so that they may become protracted and not achieve any result.

213. If we follow that path, we shall miss an opportunity imposed on us by the circumstances, and we shall take only vacillating initiatives destined to be ephemeral

or to mark time at the ridiculous level of conflicts of special interests.

214. The global approach seems to be the only way out. It promises to be a long road. Patience will be needed to build a new economic order on solid foundations.

215. For many countries coyly called "the least developed countries", waiting would mean a worsening of the crisis, placing their already sorely tried peoples in an impossible situation. Burundi, which belongs to that group of countries, is in addition land-locked, and this places a severe handicap on its exports and imports. Hence, large amounts of its already meagre budget must constantly be diverted from their primary allocations to the task of overcoming unexpected difficulties caused by its land-locked position. The fifth session of UNCTAD, held at Manila from 7 May to 3 June 1979, which recognized the disquieting situation of those countries, recommended a new programme of global action for the least developed countries. The first phase of that programme is entitled "immediate action programme"; it covers the period from 1979 to 1981. That first phase clearly shows the fields where intervention is possible. The financial support on which the implementation of the programme will depend has not yet been obtained; nothing has been done to mobilize the necessary resources. Before it is too late, the commitments undertaken must be respected, words must be translated into deeds, principles must become a programme, the programme must be transformed into a plan, the implementation of the plan must begin.

216. If we wish to avoid a repetition of the failures of the last two development decades, we must adopt a new approach going beyond the existing order. That approach requires us to show solidarity and to engage in a common search for solutions that could lay the bases of a more just and equitable international economic order. Guided by that strong faith, Burundi is preparing for the dialogue which should lead to the building, in solidarity, of a viable future for everyone.

217. Mr. GRÜN WALDT RAMASSO (Uruguay) (*interpretation from Spanish*): Mr. President, I should like first of all to congratulate you on your election to preside over this special session of the General Assembly. You guided the work of three previous sessions with outstanding ability, and we are sure that you will bring the deliberations of this special session to a fruitful conclusion. Our delegation offers you, within the limits of our possibilities, the fullest co-operation in your work.

218. We should also like, on behalf of the Government of Uruguay, to extend an extremely warm welcome to the Republic of Zimbabwe on its admission as a new Member of the United Nations. Zimbabwe's admission constitutes yet another affirmation of the principle of self-determination, of the rule of law, and of one of its basic tenets: the essential equality of human beings.

219. We are also pleased to express our satisfaction at the participation in this Assembly, for the first time, of the Permanent Observer of the Secretariat of the Latin American Economic System.

220. It would be difficult to begin our statement without bearing very much in mind what has been said by previous speakers, and especially without bearing in mind what Mr. Ziaur Rahman, the President of the Republic of Bangladesh described as the necessary and cruel reality of the desperate problems faced by millions of persons and the miscalculations and absurdities embedded in our civilization. That timely reminder, far

from plunging us into acute pessimism, provides us with a strong motivation for renewing our sense of purpose and our efforts to contribute during this special session to facing and solving these extraordinary problems; it increases our hopes for a better future for mankind.

Mr. Adan (Somalia), Vice-President, took the Chair.

221. In view of the circumstances in which we find ourselves at the beginning of this decade, this special session constitutes an instrument for dialogue that will allow us to seek, on the basis of objective criteria, constructive and effective solutions to the grave problems besetting the world economy.

222. Mankind has a common destiny, and no one can escape from the real interdependence existing among all nations. It is an obvious fact that the interrelationship of all countries will continue to increase during the coming years and that, consequently, it is not possible to exist in isolation in an increasingly interdependent world.

223. That should lead us to adopt a global approach towards the world economy and to agree on concerted management by all the members of the international community. We have in mind an understanding that the economically powerful countries will not impose their will unilaterally on the rest of the international economic system.

224. We should strive for an efficient collective system in which the fullest use is made of the productive resources of all the members of the international economic system.

225. Uruguay, like all other developing countries, is trying to apply the same principles internally, trying to focus production on those areas where it has a comparative advantage. A general opening up of the various individual economies would contribute to the development of the world economy on a solid basis, through a more rational distribution of productive activities, respecting, in turn, the comparative advantages of the various participants in the system. Those principles are usually stated and defended in theory by the industrialized countries. We note, with deep concern, however, that those countries do not practise what they preach in theory; instead, they apply protectionist policies that impede the development of the developing countries and damage the world economy as a whole.

226. This session has on its agenda the adoption of the international development strategy for the coming decade. We view the strategy as a vast undertaking by the international community for the development of the developing countries, which will serve as a frame of reference for the efforts for international economic co-operation to be implemented during the next 10 years.

227. That is why we consider that the strategy should cover the totality of the areas related to the development process of our countries without ruling out any key area. Otherwise, we should be confronted with an incomplete effort that would not attain its primary objective of establishing a global framework.

228. At this session we shall have to elaborate the new international development strategy and initiate global negotiations as a means of contributing to the effective implementation of the New International Economic Order, which the international community decided to establish more than six years ago, and whose practical implementation has been postponed owing to lack of real political will on the part of those countries that have already reached high levels of development.

229. Having said that, we wish to offer some comments on the agenda and procedure for the global negotiations.

230. Resolution 34/138, adopted by the General Assembly in 1979, provided that the negotiations would include the major issues in the field of raw materials, energy, trade, development, money and finance. The draft agenda presented by the Group of 77 is therefore a suitable starting-point for the achievement of effective results.

231. We consider that the global negotiations should have the following characteristics: first, the agenda should include a selected list of items. It would be necessary to reach a final consensus on it before the initiation of the global negotiations; secondly, the negotiations should evolve in such a way as not to interfere with those negotiations undertaken in other forums. They should deal with those questions negotiation of which is bogged down in the relevant forums of the system, always keeping in mind the need for a coherent and integrated approach to all the subjects to be negotiated and trying not to single out any one in particular; thirdly, the negotiations should take into account the adoption of simultaneous and parallel measures aimed at solving the short-, medium- and long-term problems. Short-term measures should be aimed at finding urgent solutions to short-term problems, while medium- and long-term measures should cover necessary structural reforms.

232. As we have already said, our country, like many others, is facing the typical problems of an economy with reduced markets. After many years of trying to apply a development scheme based on an internal market that did not allow for optimum allocation of its resources, it was decided to aim that development process towards an open-economy framework within a more dynamic and competitive market such as the international market.

233. Our new economic scheme was supported by the philosophy existing within the international community. There was agreement concerning the objective of reaching development based on the optimum allocation of productive resources.

234. However, we are now seriously preoccupied with the increasing protectionism of the industrialized countries. We are one of the many countries that have been hurt by this phenomenon inasmuch as we compete in international markets with an increasing range of manufactured products. The developing countries can achieve balanced and equal development only by means of regional and world-wide policies that will allow us freely to intervene in international trade. Thus what is needed is the effective liberalization of trade at the world level.

235. Within this market-restrictive framework we also consider that the well-defined tendency of the developed countries to take unilateral measures that present developing countries with *de facto* situations in which negotiations must be carried out bilaterally and in unfavourable conditions constitutes a serious risk. One of the priorities of the negotiations to be undertaken should be to put an end to that type of situation, more examples of which are occurring year after year, which in general discriminates against our countries.

236. Another problem that we should like to stress is that related to the development of food and agricultural production. We consider that the international community should take adequate measures in that regard. There is no doubt that consideration of this question cannot be separated from consideration of the question

of trade, in view of the harmful effects upon the achievement of efficient food production in the developing countries caused by trade barriers and other obstacles. Those measures, together with subsidies and dumping measures that create market distortion, do not permit an optimum level of production to be reached in countries such as ours, which have a comparative advantage in food production.

237. There is a clear-cut relationship between trade barriers and levels of food production. Therefore, if there is a sincere desire to increase world food production, those barriers must be eliminated.

238. Our delegation is very pleased to see that an item on energy is included in all proposals for a draft agenda. Energy has greatly disturbed the developing countries since the marked increases in the price of oil that were initiated in 1973. Uruguay is totally lacking in that resource and is one of the Latin American countries whose oil imports exceed the value of all its other imports. The resultant impact on our economy at a moment when our efforts at industrialization were so intense prompted us to put forward realistic criteria to deal with the question. We have defended this attitude in all those international forums in which the subject has been directly or indirectly considered. Our country has often been affected, and it has even felt a sense of inhibition when defending its strategies for developing, taking into account the increased prices of our source of energy. We would nevertheless stress the positive aspect represented by the fair price of a product coming from the developing countries. Our deepest concern is the necessity of, on the one hand, creating a mechanism to ensure a minimum supply and rational utilization, as well as a search for alternative sources of energy and co-ordination of special financing, and, on the other, articulating solutions that will assure all developing countries of reasonably priced supplies and acceptable financing conditions that will allow us to co-operate in the recycling of the surplus resources of the producing countries.

239. It was a pleasure in the course of the past year to observe the favourable attitude of the OPEC countries concerning the establishment of an ambitious programme that would guarantee an oil supply to the developing world and define a preferential system of prices and financing according to the level of development of each country. Also at the regional level, the historical agreement on energy co-operation between Mexico and Venezuela, in favour of the Central American and Caribbean countries, signed at San José, Costa Rica on 3 August 1980, and the proposal made by the President of Mexico, Mr. José López Portillo, in the course of the thirty-fourth session of the General Assembly,¹² which our country supported without reservation, mark the beginning of a very positive phase of solidarity and co-operation among developing countries to which we are pleased to draw attention on this occasion.

240. It is necessary, as indicated by the communiqué of the Group of 77 [see A/S-11/19, annex], that this subject be dealt with in conjunction with other subjects. It is also vital to ensure the transition from the present petroleum-based economy towards an economy based primarily on new and renewable sources of energy, in which petroleum would be reserved for uses not related to energy. In that respect, it would be in the interest of our countries for mechanisms to be created which are

¹²See *Official Records of the General Assembly, Thirty-fourth Session, Plenary Meetings*, 11th meeting, paras. 66-68.

capable of ensuring the transfer of technology necessary for the identification and utilization of new sources of energy and appropriate financing thereof.

241. Another aspect of importance for the development of our countries is the need for reindustrialization. It is essential for the developing countries, but it cannot be considered as an isolated phenomenon, since it has to go hand in hand with and supplement the transfer of technology and financial resources.

242. In that respect the main role belongs to the developed countries, without the decisive support of which a new international division of labour that would allow for a more equitable redistribution of the industrial means of production and the transfer of equipment and technology at reasonable cost would be impossible.

243. On the other hand, and in relation to a different matter, we should address ourselves to the system for financing the development of the developing economies, which will require the adoption of measures aimed at increasing the efficiency of that system.

244. Concerning the procedures for the global negotiations, our delegation considers that those negotiations should be undertaken at a United Nations conference with world-wide participation.

245. General Assembly resolution 32/174, taking into account the failure of the Conference on International Economic Co-operation held in Paris from 30 May to 2 June 1977, at which certain countries represented other countries during the negotiations in accordance with previous agreements, established that all world-wide negotiations related to the establishment of the New International Economic Order should take place within the framework of the United Nations system.

246. We reject the idea that a small group of countries can decide the destiny of the world's economy, without taking into account the specific problems of each and every member of that system.

247. In order to avoid such a situation, it will be necessary to create special groups in order to facilitate the detailed negotiation of the elements making up the over-all agreement, within a general context that ensures a simultaneous, coherent and integrated approach covering all the questions to be negotiated.

248. It seems to us that, in order to ensure the efficient functioning of the new negotiating process, realistic and pragmatic procedures must be established. Before the initiation of the global negotiations, as specific and concrete an agreement as possible must be concluded, covering those procedures.

249. As a final reflection on this question, we consider that we must aim at the establishment of procedures that provide for the necessary co-operation of agencies, organizations and organs of the United Nations system with the requisite flexibility.

250. As we have indicated, the necessity to make significant reforms in the present international economic system should not prevent us from confronting the pressing short-term problems that besiege us. That is why we consider it necessary to adopt forthwith measures to solve the existing short-term problems.

251. With that in mind, Uruguay has considered with great interest the ideas presented by the Secretary-General during the second regular session in 1980 of the Economic and Social Council.¹³

252. It is necessary that those ideas be developed in a more detailed form and that they be directed towards the search for remedies for all those developing countries that are facing serious cyclical problems as a consequence of the present crisis in the world's economy.

253. We should not like to conclude our statement without referring to a subject in the consideration of which our country has actively taken part during the most recent international conferences. We are referring to the question of economic and technical co-operation among developing countries, an essential component of the New International Economic Order and one which was inspired by the principles set forth in the Charter of Economic Rights and Duties of States [*General Assembly resolution 3281 (XXIX)*]. We note with satisfaction the various stages which have already been completed in the implementation of the programme of collective self-reliance, at the Fourth Ministerial Meeting of the Group of 77 held at Arusha, United Republic of Tanzania, from 12-16 February 1979, and especially the first plan of action for the short and medium term concerning global priorities in economic co-operation among developing countries. It has already been decided to negotiate the global system of trade preferences presented by the Group of 77 and to work out practical agreements on marketing and operations that can be undertaken directly by Governments.

254. It is extremely important that, during the Ministerial Meeting of the Group of 77, held in New York from 11-14 March 1980, the question of energy was raised for the first time within the context of economic co-operation among developing countries. It was then decided that trade, the various sources and forms of energy, raw materials, food, technology and other related subjects should be considered in an integrated and coherent manner by the Group of 77.

255. There is no doubt that the developing countries have great facilities at their disposal for the establishment of new and valuable forms of horizontal co-operation and that, as soon as our great resources are mobilized, that co-operation will bring about great transformations for the benefit of our countries and of the world economy as a whole.

256. In a nutshell, the problems we have outlined affect all the developing countries. However, before concluding, we wish to reiterate with special emphasis two problems that are especially important for Uruguay: the need to open further the international markets and the need to count upon an assured oil supply.

257. We are aware that the new negotiating process to be initiated shortly will be taking place at a difficult time, both politically and economically, and that the process will therefore be long and painful. But a spirit of real co-operation and international solidarity should prevail over these difficulties for the benefit of all mankind. This will be a trying assignment that can be successfully concluded only if there is political will on the part of the whole international community.

258. Mr. ODLUM (Saint Lucia): This special session of the General Assembly comes in the wake of the disastrous hurricane Allen which ravaged a number of Caribbean countries, and particularly damaged the island of Saint Lucia. The devastation and destruction were indescribable, and the loss of human life was tragic. But it is an ill wind that blows nobody any good, and from the ravages of hurricane Allen we can point the moral—or rather we can appreciate the full significance—of the situation of a small island State with all its fragil-

¹³ See *Official Records of the Economic and Social Council, 1980, Plenary Meetings, 24th meeting, paras. 7-30.*

ity, its vulnerability and its complete exposure to natural disaster and economic ruin. It is in this perspective that we must consider the economic development of small island States in the developing world; our search for a new international economic order must reflect the desperate needs of such States and must afford them the requisite priorities.

259. There are 24 small island States within the international community and, apart from two of them, the population of each is under one million persons. In fact there are some which possess fewer than 10,000 inhabitants. But they are sovereign States, entitled to receive aid and assistance from the international community, and by right capable of doing so.

260. The economic resources of these small States are minimal. The island States are heavily dependent on one-crop agriculture and tourism. Both of these economic props are highly vulnerable. The crops are at the mercy of the elements and tourism is a particularly nervous industry which literally catches cold every time the overseas press sneezes. In certain geographical areas, these States, far from complementing one another in trade, are forced to compete against each other in the quest for a single market. In some cases the States have sought to establish light manufacturing industry as a buffer against single crop dependence, since their competitive labour costs, their agreeable climates, and their proximity to potential markets have succeeded in luring some investors to their shores. But these "screwdriver" industries as they are called are notoriously footloose, and very often add to the general insecurity of such States.

261. These facts are not lost on the island States themselves. They are appreciated and movements have begun to take place which are expected to correct these structural economic weaknesses. For instance, we in Saint Lucia have sought to develop a work ethos. We have noted that the high unemployment syndrome is not conducive to the establishment of productive employment whenever the possibility arises, largely because a proper work ethos has never been developed. Therefore, with the financial assistance of friendly Governments, we have sought to create jobs of temporary duration which both temporarily alleviate the employment situation and also seek to establish a constructive work mentality. This is expected to ensure that, when our young people are able to obtain full-time employment, they will have learned to display a pride in production, a discipline in their endeavours and a productivity which in itself represents a responsible attitude to prospective investment. I say this not in an attempt to portray Saint Lucia as an example, but merely to underline that we accept our responsibility towards investment in a positive manner, and that we apply part of such aid and assistance to preparing for that responsibility, the end result of which is to help us to escape the condition of dependence.

262. This is but one of the ways in which we feel we are giving to investors a certain confidence in the State. But although we strive to diversify our economy with a view to avoiding an over-dependence on agriculture—always remembering that we must produce food for our populations and our tourist industry, thereby reducing foreign exchange expenditure—and even though we point to a possible diversification to light industry, we are continually reminded of our extreme vulnerability as far as nature is concerned.

263. The burden of the island State is to create the necessary economic conditions that will provide for the total development of its peoples within the limitations

of geography, resources and market potential. However we perceive our growth, the immediate vision is that, notwithstanding our scarcity of human and financial resources and the additional constraint of continuing energy cost escalations, our States are increasingly being set back by natural disasters. If it is not the earthquake it is the volcano, and if it is not that, it is the hurricane. Perhaps the last mentioned has visited our shores with an unfortunate frequency and with an undeniable testimony of destruction. Every time a hurricane strikes or passes by—and it is almost a yearly occurrence—the destruction is catastrophic. Dominica and the Dominican Republic in 1979; Haiti and Saint Lucia in 1980—which State in 1981, or for that matter tomorrow? Nor is it accurate to think that once ravaged, a State has paid its dues. Dominica was revisited in 1980, resulting in the destruction of the entire banana crop and the greater part of the citrus crop.

264. There is no other group of States within the international community that is as vulnerable to natural disaster, either in terms of its frequency or the totality of its effects, as the eastern Caribbean States. Ours is a peculiar economy, vulnerable in a total sense. There is no respite from this relentless onslaught except through constructive thinking and a responsible approach to developmental plans that will minimize damage on these occasions, together with sympathetic understanding and aid from the developed world. If we are not to reappear frequently before the international community, then there must be a cessation of stop-gap aid, and any assistance must be projected to contribute to infrastructure redevelopment in order that these dangers may be satisfactorily contained. Just as the developed world prepares at every level for nuclear disaster—a preparation it can undertake because all the resources are available to it—so must we be placed in a similar position to withstand the natural predator.

265. The ravages of hurricane Allen have totally destroyed the vital banana crop which is an important revenue earner for Saint Lucia. It has also devastated the crucial subsistence crops on which a large majority of our agricultural workers depend. This loss of both export revenue and subsistence income, which has its own peculiar multiplier effect, is a serious blow to our State. We propose to explore the provisions of STABEX funds for the stabilization of export earnings under the Lomé II Agreement between the European Economic Community and the African, Caribbean and Pacific States signed at Lomé, on 31 October 1979, to provide some relief for this loss of agricultural earnings. But what similar compensatory scheme can we rely on to reconstruct our tourist sector, our industrial base and the stunning losses in housing and public facilities?

266. By some curious perverse law of nature, the devastation of our rural sector will have its most dramatic economic and social effects on the dispossessed and deprived womenfolk who are the virtual "pack-horses" of agricultural production. The onus rests squarely on the shoulders of national Governments like ours to ensure that this vicious circle of exploitation, which makes women the least common denominator in our production function, is broken. I am heartened by the initiative to make our women an integral part of the new international development strategy for the third United Nations development decade, and I must commend the efforts of the Secretary-General of the World Conference of the United Nations Decade for Women, held at Copenhagen, from 14-30 July 1980, to

ensure that the plight of rural womenfolk receives appropriate recognition in our developmental goals.

267. While we might seem a trifle preoccupied with the calamity affecting our State of Saint Lucia, we are not concerned only with our difficulties. We believe that economic progress in each State is indirectly necessary and beneficial to our own economic progression. Therefore, we also address our mind to the larger perspective of economic development for island States *per se*.

268. The report of the United Nations Development Programme (UNDP) on the New International Economic Order [see A/S-11/6/Add.1] indicates, in chapter VI, section C, that the island developing countries as a group were not given special consideration in the allocation of UNDP resources in the first and second programming cycles. The report acknowledges that most of the island developing States are in the Caribbean and Pacific areas.

269. These island States are characterized by the following developmental constraints: smallness, remoteness, transport and communication inadequacies, great distances from the marketing centres, highly limited internal markets, lack of marketing expertise, low—if any—resource endowment, lack of natural resources, heavy dependence on a few commodities for foreign exchange earnings, shortage of administrative personnel, heavy financial and energy burdens, and, above all, no input to cope with the factors that continually reduce their efforts in mobilizing their socio-economic base that effect progressive development. In short, a catastrophe in survival terms.

270. It is axiomatic that, if the international community is to mean anything to these States, then there must be projected into their area meaningful and positive aid.

271. We are pleased to note that the international community has given forceful consideration to the problems of land-locked developing States. We are looking forward to at least equal consideration for the small developing island States. We deserve no less consideration and, it may be argued, when one considers the economic potential of land-locked States, probably more. For example, the tourist sector is of inestimable importance to Saint Lucia; it is our largest foreign exchange earner and our largest employer. It is a highly captive market, dependent entirely on the unpolluted existence of sand, sea and sun. One oil-tanker spill in our area will produce a 20-year setback at least to our economic growth.

272. Yet we must embrace every area of legitimate investment that comes to our shores, much as a mendicant who cannot choose the alms that he solicits. We are hard put to refuse any industry that seeks to establish itself in our country; we must invariably accept the calculated risk. We are not in a strong position to refuse. We must be eternally grateful for any legitimate developmental input that is proffered. We are more likely to grab what more fortunately disposed States would examine, scrutinize and perhaps astutely consider in terms that illustrate a particular meaningfulness to their total economic projection before acceptance. There is no wrong in this—it is our inherited position.

273. Some island States which have not yet achieved independence are even considering projects involving the dumping of nuclear waste in waters adjacent to them, a practice which while evading the strict environmental legislation of the metropolitan Powers does not consider the environment of the independent island

States of the area. It is part of the economic legacy that we have been invited to accept.

274. We are in duty bound to remove our peoples from the drudgery of economic deprivation, whatever our inheritance. We are also morally obliged to look to the international community that moulded us for the means to promote our objectives and the ability to protect ourselves from economic and environmental exploitation. So that when we desire special consideration for the removal of any threat of pollution, the international community is expected to acknowledge that request in positive terms.

275. In another sphere, because of their nature, the tourist industry and also the light manufacturing industry need and demand transit facilities for tourists and industrial supplies respectively. This means that the airports have to grow with the demand. The State has to live with any criteria for the acceptability of wide-bodied aircraft that the controllers of the industry determine and the competitiveness of the area resources demands, without any input of any kind by the State in terms of policy in those sectors. We are shackled by the demands of an industry that we need, but cannot control or construct to our dimensions. This is our unfortunate legacy.

276. I need not elaborate on the other factors of impediment to development in the island developing States. They are not intrinsically different from those of the least developing countries and they certainly attract similar constructions and restraints on the economy of both groups. Yet, there is only one island State that is placed in the category of least developed. We are loath to understand the validity of the criteria employed which give such discordant treatment to the same set of applied factors in different areas.

277. Most delegations in attendance here participated in the Preparatory Committee for the New International Development Strategy in which policy measures and a time-frame were discussed. There are many reports and analyses of the problems of development affecting developing States, be they land-locked or island States.

278. However, it seems that, despite the exhaustive articulation of the problems of developing island States, the built-in bias against smallness and indigence remains. Traditionally, the disbursement of aid followed a perverse pattern in which assistance gravitated to areas where it was not so desperately needed and studiously avoided the most depressed areas. In recent weeks the third world was delighted at the news that the Latin American countries Mexico and Venezuela had signed an agreement which would help certain Caribbean countries with their energy problems. This prototype agreement highlights the emergence of a new spirit of co-operation between Latin America and the Caribbean and augurs well for the future of trade and aid relationships among developing States. Nevertheless, it was of some concern that the even more fragile States of the eastern Caribbean were excluded from that important arrangement. One hopes that that omission will be swiftly rectified.

279. The substantial increase in oil prices in 1973 was not a watershed for the developing world in strict economic terms. There was already evidence that many of these States had debt problems and were faced with growing balance-of-payment deficits. Continuing and dramatic increases in the price of oil in most cases merely exacerbated an economic position that had already reached the danger point. To focus on those oil prices as the proverbial *bête noire* is to ignore and pos-

sibly lose a proper perspective in respect of the responsibility of the developed world for not sufficiently insulating the economic framework of the developing world from these phenomena. It is to ignore the unfortunate economic legacy that many of those developing States inherited upon independence, coupled with the necessary price of manufactured goods that had to be met, both for domestic needs and as a token for obtaining technology, if ever the take-off stage in economic development was to be achieved.

280. It has been advanced that the low purchasing power of the exports of developing countries, excluding the more fortunate oil-exporting countries, is the principal impediment to the development of these developing countries. But this is to conceal the high import cost of necessary manufactured goods and food. Even oil-rich developing States, in spite of their oil earnings, are still faced with problems of development that present grave projections for their economic progress.

281. It is no secret that the price of imported manufactured goods necessary for the developing world's economic progress has far outstripped the price of the few primary commodities exported by the developing world, resulting in continually deteriorating terms of trade.

282. It is unfortunate that the developing world has to export its primary commodities to the developed world in the main in order that it may meet the cost of its economic development. Yet, the developed world is not obliged to purchase any one commodity from any one developing supplier. There is usually adequate competition in the developing world to involve non-economic considerations that affect the fact of the sale and the revenue realized from such a sale. This is perhaps where the most acute problem lies, for, as between the developing and the developed world, there are no terms of trade in operation that are consonant with what exists among the developed States. Therein lies the dilemma. Unless and until this trading imbalance can be rectified and similarly reflected between the developing world and the developed world, the real gap will not only be widened, but the indicators of economic growth will continue to be meaningless.

283. Our destitution must not be measured only in real economic terms. There is evidence that there are more schools, lower infant mortality rates, better nutritional standards and less famine now than before. But we must enquire whether this is the full measure of our independence or whether we have won our political independence at the cost of economic dependence. Does this mean that as long as we consistently and relatively improve our standards, notwithstanding the economic disequilibrium that continues to be registered and maintained between the developed and the developing States, we will not be required or expected to achieve control over the ways and means which will determine that economic independence and the self-reliance which is the underlying spirit and significance of our political freedom?

284. The Brandt report¹⁴ states that 60 per cent of world exports of agricultural and mineral commodities other than oil originate in the third world. Yet, within that very group there are States that cannot feed their population. This is an abysmal reflection of our priorities and of the use to which we put our means of production.

285. The foremost condition for development is to satisfy the food needs of the State. Most countries that were net exporters of food have now become net importers and for most, if not all developing countries, approximately one third or more of their export earnings is spent on food imports. While the neglect of agriculture in the 1950s and 1960s, as developing countries attempted to industrialize, may have contributed to this state of affairs, the continually increasing cost of fertilizers, insecticides, pesticides and farm equipment have contributed significantly to the plight of agricultural production. In my own country the cost of fertilizer rose from \$18 to \$36 a bag between 1964 and 1976, an increase of 100 per cent, while the price paid to the farmer by the metropolitan Power for one pound of bananas exported to the United Kingdom increased by only 33 per cent over the same period.

286. The work of the Centre for Science and Technology for Development is therefore clear-cut. This Centre can be a leading instrument in meeting the food requirements of developing countries by working together with the already established agencies of the United Nations system, especially with the FAO. The Research and Development Programme of the Centre must be geared to focus on problems inherent in increased food production. Unfortunately, for most developing countries the food bill is in the order of one third of the gross national product. Add that figure to the 33 per cent or 40 per cent for debt servicing and there is very little left for capital development.

287. The work of the Centre and of IFAD depends very much on voluntary contributions from countries in a position to help financially.

288. Fortunately, within the group of countries that can help financially are to be found countries that are still considered as developing, but owing to their large reserves of oil are able to provide developmental capital for the less fortunate developing States. These States have a moral duty to support the Fund and to set an example whereby the developed world will be estopped from taking a non-contributory position or making a belated input. We can spend session after session in setting out what must be done to achieve the progressive economic growth of the developing world. To a large measure this has already been done. What is required now is to translate the theory into practice. For this, the political will must be identified and translated into practical terms. If this is not realized in the near future or if there is not the conviction and attempt to set a composite and meaningful time-frame with significant contributions, then our presence here today and the sessions that will follow will contribute towards an exercise in futility.

289. The Brandt Commission has pointed out that in 1960, 60 per cent of assistance to the developing countries came in the form of official development assistance or concessional aid. By 1977, more than two thirds was commercial, mainly from private bank loans, direct investments and export credits. The report also showed that, whereas in 1970, 17 per cent of the outstanding debt burden of developing countries was to the international private market, by 1979, that figure had reached almost 40 per cent, resulting in heavy debt servicing burdens. The problem of increased borrowing is well known, and there comes a time when the lending agencies will not advance any more credit, if the creditworthiness of the countries is in doubt or if, as in the case of our sister State, Jamaica, the conditionality of the international agencies is inconsistent with the development strategy of the State. To reverse that trend,

¹⁴ *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).

there must be a return to increased official development assistance, particularly to island States and the least developed developing countries.

290. A decade ago the United Nations proposed the objective of 1 per cent of the gross national product of developed countries for the net transfer of resources to developing countries, including private flows, and within it 0.7 per cent as a target for official development assistance. With the increase in private investment and commercial lending, the over-all net flow of 1 per cent may have been reached but, out of that, official development assistance is only in the range of 0.35 per cent, which is half of what was considered desirable. Does that suggest that the developed world is prepared to assist in readjusting the conditions of trade in such a way that the manner of distribution and the quantum distributed give the illusion of generosity when, in reality, this is a paltry package?

291. The commitment of the developed world to participate in the economic growth of the developing world bears repetition, for it lies at the core of any significant thrust. It takes more than the setting up of objectives, and the preparation of analysis and reports to implement a new international economic order. It requires action, positive action, on the part of the developed countries to open their markets, the financial institutions they control and the technology that they have, where appropriate, to the developing countries. For those countries are now attempting to provide for their populations those very needs which the developed countries hold sacrosanct. There is an obligation on the part of the developed world to give the developing world at least an opportunity to realize those objectives. There is also a comparable responsibility on the part of the developing world to restructure their own economies, so that international assistance is not frustrated by the reinforcement of national imbalances.

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

292. Concomitantly, for the political will to be effective, meaningful objective development strategies must be carefully worked out in the developing world. Ill-considered importation of values and priorities that affect and determine tastes and habits within a society will invariably create financial burdens on that society, particularly when that society does not have the resources to support those tastes and habits. The creation of artificially stimulated consumer demand is not necessarily conducive to proper economic development and growth. Yet it seems, in many cases, that it is this plan of action which attracts investment and aid. The structural development of the developing State must reflect a need which is fulfilled by timely and meaningful injections of investment and aid, even though the profit realized may well be less than if it were projected in other areas. This is perhaps where the political will and the serious commitment to the economic growth of the developing world is most poignant.

293. The question becomes most succinct when one examines the policies of the aid donors and the institutions that have mushroomed throughout the world and through which aid is channelled. It is important that the developed world recognize that this conditionality which it applies to aid and assistance to the developing world must be different in form and character from that which is applied as between member States of the developed world. There is a fundamental role for both bilateral aid and multilateral aid within the context of a small developing island State.

294. It is important for the developing world to see that there exists a political will to institute greater measures to facilitate financial assistance flows to the developing countries both from the international financial institutions and from official development assistance. It is necessary that they honour the pledges of assistance and contributions to United Nations agencies, so that these funds may be used for the purposes intended, uncontroverted by political issues not of the developing world's making. To date, that political will is absent, and that sums up the dilemma in which we find ourselves.

295. I appeal to the developed States and to those other States that possess the financial strength notwithstanding their developing category to take action now, to desist from taking note, to abort their meetings *in camera*, to retract postponements of the issue and to take action—meaningful action. What is necessary, what is to be done is known. The implementation is all.

296. What is required is a just and equitable economic order which in itself motivates and becomes the best guarantee for peace in this troubled world. My country, which is totally vulnerable to the ravages of nature and the predators of mankind, appeals for the necessary aid and assistance, particularly in its sectoral infrastructural redevelopment. It is an absolute request, if we are to better and improve on the unfortunate economic legacy to which we have been subjected and to lift the standards of living and the well-being of our peoples to a recognized, dignified and salutary level of existence and progress.

297. It is not sufficient to set a minimum standard in terms of a new international economic order that is applicable to the developing world. The standard to be attained must be registered in precise terms of economic development that represent the stage from which further progress is guaranteed. We must no longer be caught up in the fallacy of making minimum sufficiency our ultimate goal. This new international economic order must positively ensure above anything else that the children of future generations of the third world are not condemned to a wretched existence and destined to live like Socrates' contented pigs in the mire of hopelessness and want.

298. Mr. ALLIMADI (Uganda): Mr. President, it is with a deep sense of pleasure that I once again address you from this rostrum. Your eminent qualities and diplomatic skill are once again at the disposal of the international community during this very important session. We are confident that under your wise and able guidance, this special session will achieve positive results.

299. The Uganda delegation would like to welcome Zimbabwe as the 153rd Member of this august body. We pay a special tribute to the gallant people of that sister African nation in their struggle for independence and appeal to all the countries in this world body to give aid to the young nation, which is engaged in the major task of the rehabilitation and resettlement of thousands of refugees, and to help it in the reconstruction of its economy.

300. I am addressing this important special session at a time when my country is going through its worst experience of human suffering, caused by drought—a natural calamity—in the northeastern part of the country. Many people in the area have died and continue to die from starvation. The entire country is being threatened by famine caused by the delay in the rains in other parts;

indeed the entire eastern part of the African region is under threat of hunger and starvation.

301. The Government and the people of Uganda are very grateful for the relief aid in the form of food supplies, drugs, vehicles and equipment so far received from, and the goodwill shown by, the international community. Our thanks go to the United Nations and its specialized agencies engaged in and spearheading the relief operations, and to other governmental and non-governmental organizations which have come to our aid at this crucial time of need. We should like particularly to commend the Government of France for its tangible co-operation in this matter.

302. I am speaking at a time also when my country is engaged in the reconstruction and rehabilitation of our devastated economy, to lay a foundation for sustained economic development. Never before in the history of our economic development has Uganda needed international co-operation and goodwill more than at this time. The resources required in terms of financial and technical assistance to accomplish the task of reconstruction and rehabilitation are enormous.

303. Once again the Government and people of Uganda are grateful to the international community for the assistance, both financial and technical, given towards our economic reconstruction and rehabilitation efforts. This, again, is a manifestation of the international co-operation we are looking for. However, the assistance and co-operation so far received falls far too short of the requirements. It is because of this that my delegation looks to this special session of the General Assembly with much hope.

304. Uganda's experience in the post-liberation war compels me to start with a word of warning, when considering the subject-matter of this special session of the General Assembly. Indeed, a number of speakers have already touched upon some of the points I am going to make.

305. First, we cannot hope to achieve the goals and objectives of the New International Economic Order without the political will on the part both of developed industrialized countries and of developing countries. In the opinion of my delegation, it is to the lack of this political will that we can attribute most of our failures to achieve the goals and objectives set out in the past two development decades. Developed countries have always reluctantly accepted goals and targets recommended after painful negotiations, and in many cases have exhibited little political will to execute the agreed commitments. If this continues, then we shall all have good and justified reasons to be pessimistic about the results of this special session and the envisaged global negotiations.

306. Secondly, if we have to achieve our objectives, developing countries have to take decisions on economic matters and determine their economic destinies without political influence and interference by developed countries, particularly former colonial masters. Political and economic independence is vital to our development. Developed countries and international organizations have to recognize that fact when imposing conditions for their financial and technical assistance to developing countries.

307. Thirdly, co-operation among developing countries is also a prerequisite for the achievement of the New International Economic Order. This, as can be realized, will strengthen the bargaining power of the developing countries, which has been weak. My dele-

gation is indeed appreciative of, and wholly supports, the efforts made in that direction.

308. Past experience has shown us that the developed countries have continued to dominate the exploitation of the natural resources of developing countries to their advantage by imposing terms which are always in their favour, leaving the legitimate owners of those resources at a disadvantage. Developing countries are exporters of primary commodities and importers of finished products from the developed countries. They are always at a disadvantage in the developed markets as a result of faulty international financial and monetary systems, price fluctuations, and the protectionism practised by the developed countries. Imported inflation has also continued to eat into the foreign exchange reserves of the developing countries.

309. The export earnings of many developing countries are on the decline, while their expenditures on imported manufactures and energy requirements are on the increase. The foreign debt burden of the developing countries consequently leaped from \$120 billion in 1973 to \$340 billion at the end of last year. It is estimated that the service charge for this foreign debt will be in the range of \$60 billion by the end of this year. These alarming statistics underscore the gravity of the crisis in current international economic relations. The bleak and uncertain outlook of the world economy clearly presents great dangers, and there can indeed be no guarantee of real stability until the international community addresses itself seriously to the basic challenge posed by the economic disparities and imbalances that exist between the rich, developed countries and the poor, developing countries.

310. In view of this economic situation my delegation is in agreement with the view that the new international economic order entails a restructuring of the entire international economic system involving urgent reforms in the financial and monetary system, the international trade system and the international co-operation system.

311. At the sixth special session of the General Assembly held from 9 April to 2 May 1974, we all solemnly proclaimed our united determination to work urgently for the establishment of a New International Economic Order based on equity, sovereign equality, interdependence, common interest and co-operation among all States irrespective of their economic and social systems, which would correct injustices, making it possible to eliminate the widening gap between developed and developing countries and ensure steadily accelerating economic and social development in peace and justice for present and future generations. At that session we agreed on a number of measures that would facilitate the solution of all the economic problems. Among them was that the IMF should review its relevant provisions in order to ensure effective participation by developing countries in the decision-making process. We hope that that will be effected expeditiously in order to give the developing countries a bigger voice in global economic decision making. It is not uncommon even at this time to hear of terms and conditions given by the World Bank that are very much in conflict with the interests of the recipient developing countries.

312. I should like to remind representatives that the sixth special session of the General Assembly took place in the aftermath of what happened in December 1973, when the first such example in history showed that third-world producing countries could gain possession of their natural resources by taking over the controls that determine the fixing of the prices of their raw materials. A study of the pricing system of oil by the

Western developed countries shows how artificially low such prices were kept and how over-consumption was encouraged in some industrialized countries prior to the events of December 1973. It cannot be ignored, however, that, although this was not intentional, the increase in oil prices adversely affected many developing countries that were least able to bear the burden. In the case of Uganda—and, indeed, of other least developed countries—energy remains a big drain on our limited foreign-exchange reserves. For that reason, developed countries should intensify their energy-conservation measures and increase their assistance to developing countries to enable them to meet their energy requirements through technical assistance and development of new and renewable sources of energy. As for the oil-producing countries, my delegation would like to call upon them to earmark a substantial portion of their resources for the implementation of the substantial new programme of action for the least developed countries in the 1980s and to effect a 50 per cent reduction in the price of oil for the least developed countries.

313. On the question of a new international development strategy, it is the feeling of my delegation that the goals and objectives of the strategy as stated in document A/S-11/2 are noble and good. We also agree that "Particular attention should be given to the need for accelerated development of developing countries in the special categories, where the development needs and problems are greatest." [A/S-11/2 (Part III), annex, sect. II, para. 17.] That category, as Members know, includes the least developed, land-locked and most seriously affected developing countries. Considering that 18 out of the 29 least developed countries are in Africa, and many of them are land-locked or situated in disaster areas, and that Africa contains 28 of the 45 most seriously affected countries, it can be seen that the African continent has been the most seriously affected of all the regions of the world. For that reason we feel that the Monrovia Declaration, adopted at the sixteenth session of the Assembly of Heads of State and Government of the Organization of African Unity, held at Monrovia in July 1979, and the Lagos Plan of Action for the Economic and Social Development of Africa, adopted at the second extraordinary session of the Assembly of Heads of State and Government of the Organization of African Unity, held at Lagos on 28 and 29 April 1980, should be incorporated in the strategy for the United Nations third development decade in order to enhance the economic development of Africa. That Plan of Action is a comprehensive plan highlighting priority areas for development in the next development decades for Africa.

314. It is our hope that the international community will consider increasing assistance to that continent, which has suffered so much from the international economic crisis. It is also our hope that Uganda, which unfortunately falls into all three categories, will receive special attention in the implementation of the new international development strategy. That would achieve one important objective—that is, the closing of the gap between developed and developing countries and between least developed and other developing countries.

315. Our concern regarding the least developed of the developing countries is very natural, and we have stressed it often in the past and are looking forward to the proposed United Nations conference on the least developed countries with great hope. Furthermore we should like to stress the following points.

316. First, developed countries and multilateral agencies must take urgent steps to implement without

delay UNCTAD resolution 122 (V) and other relevant resolutions adopted within the United Nations system in favour of the least developed countries. In this context, the Immediate Action Programme (1979-1981) called for in UNCTAD resolution 122 (V),¹⁵ and reaffirmed in resolution 5 (III) of the Inter-Governmental Group on the Least Developed Countries acting as the Preparatory Committee for the United Nations Conference on the Least Developed Countries, must be implemented on a priority basis.

317. Secondly, the Substantial New Programme of Action envisaged in UNCTAD resolution 122 (V) must be further elaborated, finalized and adopted at the 1981 United Nations Conference on the Least Developed Countries. To facilitate the implementation of that programme, much larger flows must be provided on a predictable, continuous and assured basis. To that end, a substantial portion of the proposed OPEC development fund must be earmarked for the least developed countries.

318. Thirdly, official development assistance to the least developed countries must be doubled by 1981, tripled by 1985 and quadrupled by the end of the decade in real terms at 1977 prices.

319. Fourthly, in addition to current aid commitments or existing aid flows, international financial, technical and material assistance must be substantially increased to meet the particular needs of the least developed countries. An international development fund for the least developed countries must be established to channel that assistance.

320. Fifthly, all official development assistance to the least developed countries must be unconditional (untied) and in the form of grants.

321. The new international development strategy should aim at massive transfers of resources from developed to developing countries on a predictable, long-term and assured basis. The resources so transferred should be invested in sectors which will help to accelerate economic development in those countries. Uganda, like most developing countries, is an agricultural country and the agricultural sector is the mainstay of our economy. It is therefore obvious that agriculture will be given priority in the allocation of resources in our strategy. In the view of my delegation, the new international development strategy should aim at increased food and agricultural production by the developing countries for, as the Director-General of FAO stated,

"... it is clearer with every passing year that, for most countries, a satisfactory agricultural performance is a precondition for development in a wider sense. And surely no nation can be considered truly independent if it is unable to produce or to buy the food supplies needed by its people." [See 8th meeting, para. 95.]

322. Another point to be emphasized is the development and utilization of human resources in developing countries, particularly the least developed among them, if sustained development and self-reliance are to be achieved. It is now a well-known fact that the lack of trained manpower, particularly in the field of science and technology, and the lack of effective utilization of the available skilled manpower constitute a major constraint on the economic development of developing countries. It is the view of my delegation, therefore, that

¹⁵ See *Proceedings of the United Nations Conference on Trade and Development, Fifth Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

that sector should be given priority, and that it calls for the co-operation of the entire international community.

323. The International Development Strategy for the Second United Nations Development Decade has been a disappointment, to say the least. At the beginning of the Decade we had agreed that by mid-term the developed countries would meet the target of 0.7 per cent of their gross national product as official development assistance to developing countries. By 1978, only a few of the developed countries had exceeded that 0.7 per cent target, and we pay them a tribute. We hope that the targets we are setting ourselves for the next development decade will be unanimously agreed upon and met so that the hopes of the developing countries will not be as frustrated at the end of that decade as is the case today. The developing countries are proposing realistic targets that are achievable. With political will and a spirit of mutual interest among developed and developing countries, we sincerely hope that the United Nations development decade of the 1980s will be more successful than the current one. My delegation will work seriously with the other delegations to formulate decisions at this special session that will be acceptable to all and to make the session a success and a landmark in the discussions of international economic issues.

324. Miss MENON (Singapore): Mr. President, allow me to express, on behalf of my delegation, my pleasure at seeing you once again in the Chair, presiding over the deliberations of this body, this time at the eleventh special session of the General Assembly. We have admired the skill with which you have carried out your duties.

325. It is also my pleasant task, as a fellow member of the Commonwealth, to welcome Zimbabwe to membership in this Organization. This is indeed an historic moment for Zimbabwe and the international community.

326. It is with considerable apprehension combined with not a little pessimism that we are entering the decade of the 1980s. It is six years now since the call for the establishment of the New International Economic Order was made at the sixth special session of the United Nations General Assembly. That concept was born out of the frustrations and despair of the developing countries, which felt that it was imperative to rectify some of the inequities of the post-world-war international economic system. At the same time, the New International Economic Order embodied the hopes and expectations of those countries for a more just and equitable international economic system in which it would be possible to attain accelerated growth for the developing countries and thus to bridge the widening gap between the developed and developing countries. However, for a variety of reasons the progress towards the New International Economic Order has been far from satisfactory; to date it remains by and large an unfulfilled dream. The bright spots in this generally gloomy picture have been few indeed. Perhaps the most notable is the agreement on the establishment of the Common Fund for Commodities after several years of arduous negotiations. We are also pleased to note that the International Natural Rubber Agreement 1979, signed at Geneva, on 6 October 1979, has been concluded. We hope such progress will spread to the negotiations on other commodities in the Integrated Programme for Commodities (IPC). On the question of the location of the headquarters of the related institutions, my delegation feels that it would be highly desirable to have them located in the developing countries since they

were set up to deal with problems that so intimately affect those countries.

327. In the negotiations currently being conducted in various forums for the establishment of the New International Economic Order, we are told that the current world economic situation does not permit the developed countries to respond sympathetically to the proposals for the New International Economic Order. We understand that the economic health of the industrialized countries is a key determinant of the growth prospects of developing countries. Industrialized countries are the principal markets for exports from developing countries and their main suppliers of capital and technology. We realize that the attainment of rapid growth, full employment and price stability has remained elusive in recent years in the industrialized economies. In several countries strong inflationary pressures and situations of volatile external payments have hampered sustained recovery from the recession. Projections for 1980 indicate a slowdown in the growth of the gross domestic product for the Organization for Economic Co-operation and Development (OECD) countries from 3.4 per cent in 1979 to 1.25 per cent in 1980.

328. Severe though the economic crisis may seem to the developed countries, that argument cannot continue to be used endlessly to justify inaction and rejection of the proposals for the New International Economic Order. If the current economic situation bears heavily on the developed countries, it does not require much intelligence or elaboration to understand that the weight of the crisis lies more heavily on the developing countries. The developed countries are facing this crisis with well-established industrial, financial and technological infrastructures. Their economies may be temporarily shaken, but they are by no means shattered. When the crisis is over they will be able to recover, as they already have a head start in development. For most developing countries without the requisite, or even basic, infrastructure, the crisis they are facing can be devastating. They have not even reached the take-off stage in economic growth. To many in the developed countries, the depressed economic situation may mean forgoing some of the comforts of life they have been used to. To the ordinary man in the developing countries, it may mean the difference between one meal a day or no meal at all. That is the dimension of the difference. That is why developing countries cannot be expected to wait until economic recovery takes place in the developed countries. Our patience is not limitless. If the developed countries continue to resist the proposals for the New International Economic Order, the acrimony which now colours the economic relationship may deteriorate into bitter confrontation.

329. Not only have the developed countries been unresponsive and unresponsive to the requests of the developing countries, they have regrettably resorted to measures which have serious adverse effects on the world economy in general and that of the developing countries in particular. The most pernicious of these is protectionist barriers to trade. The current world economic situation already confronts developing countries with an uphill battle, without their having also to cope with new obstacles which are imposed by the developed countries and which retard the pace of their development efforts. Following the Second World War, the world economy enjoyed three decades of unprecedented economic growth and prosperity. We saw then a liberalization of economic policies within a global system of rules designed to promote international trade and investment. The developed countries must realize that they cannot

unilaterally evolve the rules of economic relationships and then undo them when those rules no longer serve to perpetuate their economic position.

330. The proponents of free trade have now become advocates of organized free trade. The countries that are most hurt are those third-world countries which have demonstrated a capacity to compete successfully with advanced countries in an expanding range of industrial products. Developed countries have given many excuses for protectionism, such as alleged unfair competition from low-cost manufactures, an increase in unemployment, and so forth. But they have consistently refused to admit the advantages of free competition, such as economies of scale, a wider range of products for the benefit of consumers, more efficient use of resources resulting in better earnings and greater purchasing power, improvements in the standard of living in developing countries which make us greater consumers of products from the developed countries, lower inflation rates, and so on. As for contributing to increased unemployment in the developed countries, there have been studies by the ILO which have concluded that the loss of employment in import-competing industries in developed countries was fully offset by the gain in employment in exporting countries. The fact is that it is politically easier for the Governments of developed countries to erect protectionist barriers than to undertake industrial restructuring, to phase out inefficient industries and to deploy these to developing countries based on the economics of comparative advantage.

331. Governments in developed countries resist these reforms because they are unpopular. They see these issues in myopic terms. For them, it may be a question of winning or losing a few seats in the next elections. Long-term remedies, however unpalatable, must be embarked upon as this is in the interests of the developed countries themselves. For most developing countries, access to the markets of the developed countries is a matter of survival. We are often told that protectionism is a global phenomenon and that developing countries must also open up their markets. While this is a truism which no one can dispute, it is also a fact that the bulk of the purchasing power lies in the developed countries of the West. They are for now our major trading partners, although this situation is bound to change in time. Protectionism is to be condemned wherever it is to be found, as in the long run it thwarts the development of a liberal international trading system and distorts the international economic system, thus postponing economic recovery and growth.

332. The multilateral trade negotiations concluded earlier this year are regarded by many developed countries as a major breakthrough in the attempt to liberalize the international trading system and also as a demonstration of the goodwill of the developed countries. Singapore views the results of the multilateral trade negotiations with disappointment. The results fell short of the commitments undertaken in the Tokyo Declaration, particularly those concerning the interests of developing countries. First, in the area of tariffs and non-tariff measures, insufficient attention was paid to the needs of developing countries. Protectionist elements were also injected into the codes. The developing countries have, in particular, rejected the selective approach in the safeguards code, the graduation concept and the elements in the subsidies code which treat even tax incentives aimed at attracting foreign investments as subsidies liable for countervailing action. It is hoped that those features of the multilateral trade negotiations can be corrected in future negotiations.

333. My delegation was concerned by the attempts of certain developed countries unilaterally and arbitrarily to "graduate" developing countries. This is not only a clever protectionist device, but also a divisive tactic. There should be a fair method of graduating developing countries. The favoured gross national product-*per-capita* criterion is unfair as it does not take into account the specific economic circumstances of a particular country. It is important to use the total wealth or total industrial output of a country as one of the main criteria in deciding whether it should be graduated. Also to be taken into account are the level of development of the industrial structure, the level of integration of the manufacturing sector, technological sophistication, and so forth.

334. Despite its unfairness, the gross national product-*per-capita* criterion has been used in many instances. The result is that countries which still sorely need technical assistance, both on a bilateral basis and multilaterally from international organizations, find that they are prematurely excluded. It should be in the developed countries' interest to help these developing countries reach the take-off stage so that they can in turn assume more responsibility and help the poorer developing countries. Graduation should be a gradual process. If they are graduated before they are ready, it will definitely be a setback to their development efforts and will only delay the time when they will be able to join the ranks of the developed countries and help contribute more effectively to world economic development. It is indeed an irony of our times that those developing countries which have managed, through hard work and sacrifice, to register impressive growth rates and compete successfully with the developed countries are being unfairly penalized, even as we all pay lip-service to the goal of accelerated development for the developing countries. Can the poorer developing countries and those struggling to make the grade draw any comfort or encouragement from these developments?

335. The developing countries also continue to be surprised at the consistency with which the developed countries try to impose on the international community the notion of strict reciprocity. This concept was repeatedly raised in the multilateral trade negotiations and is being brought up in North-South negotiations in other forums. It is ridiculous and unreasonable to talk about reciprocity in an unequal world. As the report of the Brandt Commission pointed out, if inequality is to be redressed, the gains cannot be equal.

336. The disappointments of the developing countries with the North-South dialogue aimed at establishing the New International Economic Order are many, the satisfactions few. I do not intend here to catalogue all of these disappointments since other representatives from the Group of 77 have already referred to these and expressed so well the feelings of our Group. The conclusion that we in the Group of 77 are forced to draw is that the developed world has not taken the North-South dialogue or the New International Economic Order seriously. The New International Economic Order was seen as a set of unreasonable demands of the third world and the response to it has been to bestow piecemeal concessions which it was hoped would pacify the third world. There has been little recognition of the need to adjust and adapt to a changing world, one in which the economic well-being of two thirds of the world's population will vitally affect the economies of the industrialized countries. In this interdependent world, the future of the global economic order is of vital concern to the North, as it is to the South. The New International

Economic Order cannot therefore be viewed merely as a demand of the South.

337. Faced as they are with the intransigence of the developed North, the developing countries must act in unison and in solidarity and resist the divisive tactics of the developed countries. They can also strengthen their bargaining power by undertaking internal reforms and making sure that their domestic economies are sound and dynamic. This may mean discarding economic policies founded on rigid doctrines or nationalistic slogans. The lack of progress on the New International Economic Order cannot be used as an excuse or an explanation for not undertaking internal economic reforms, however difficult they may be.

338. On the other hand, national efforts must not be seen in any sense as a pre-condition for reform of the international economic system. The two tasks must go hand in hand. Without a favourable international environment even the most Herculean efforts of developing countries at the national level will come to naught. By keeping their own houses in order, third-world countries will also enhance their credibility and force the North to take them seriously. In the United Nations and in other international forums where the North-South dialogue is under way, the Group of 77 must ensure that it is taken as a serious partner in the dialogue, abandoning rhetoric and posturing and by concentrating on what is realistic and possible at a given time.

339. The North-South dialogue has so far been regarded as essentially a bipartisan exercise—a dialogue between the third world and the industrialized market-economy countries of the West. This is probably because the majority of developing countries still subscribe to the free enterprise system and have economies which are tied to the developed market economies. The call for a reform of the existing order has therefore naturally been addressed to the latter group of countries.

340. The Soviet Union and the socialist countries of Eastern Europe, containing one third of mankind, have essentially been quiet bystanders in the North-South dialogue. Historical circumstances cannot be a convincing explanation for inaction or non-participation in today's changing world. If the socialist countries have as much sympathy for the problems of the third world as they claim to have, then it is time they emerge from their comfortable isolation and take a positive stand on the important development issues of our day such as trade and transfer of technology, areas where they are in a position to make a constructive contribution. The international economic system affects one and all, and in any real dialogue for a restructured world order the active participation of all countries, regardless of their economic systems, is essential.

341. There has been a substantial change in the tenor of the international debate on development issues. In the years after the Second World War there was an emphasis on the moral imperatives of helping the developing countries to develop. Many people, especially in the West, saw it as a form of charity, with a measure of idealism, although by no means for purely altruistic reasons. Today, the nature of the debate has changed radically. The New International Economic Order is not a call for more aid from one side to the other. The debate on development today focuses essentially on what the international community can do to make this a better world for mankind. It is not a debate at the end of which one side loses and the other side gains. We hope that as we approach the third United Nations develop-

ment decade this basic notion will permeate the discussions on the new international development strategy and the preparations for global negotiations.

342. In concluding my statement I should like to quote an eminent statesman, the Chairman of the Independent Commission on International Development Issues, the former Chancellor of the Federal Republic of Germany, Willy Brandt. In his introduction to the Commission's report, he said that the Commission felt that a change in the North-South relationship can be brought about within the remainder of this century

"... if governments of both developed and developing countries are convinced of the need to act. One should not give up the hope that problems created by men can also be solved by men.

"This calls for understanding, commitment and solidarity—between peoples and nations. But they can come about only with a feeling for realities and a grasp of intertwined interests, even if these are not identical. It also calls for courage, for a vision of the future, without which no great task has ever been completed."¹⁶

343. All of us should remember those words in addressing the issues to be resolved at this special session and beyond, wherever and whenever the North-South dialogue takes place. It is also our hope that the dialogue will prove to be more than a mere dialogue. The dialogue has to be followed by immediate action or implementation, to make this a better world for us and those who come after us.

344. Mr. PANUPONG (Thailand): The delegation of Thailand joins with those representatives who have addressed this Assembly before me in renewing the vote of confidence that we have in you, Sir, by electing you President of the eleventh special session of the General Assembly.

345. Thailand rejoices in the fact that, after long years of just and valiant struggles, Zimbabwe has gained full independence and statehood with a Government, under the enlightened leadership of Prime Minister Robert Mugabe, established through free and open elections. Thailand welcomed Zimbabwe's admission to the United Nations and was one of the sponsors of the resolution on Zimbabwe's membership which was adopted on 25 August 1980 by resounding acclamation in this august Assembly [*General Assembly resolution S-11/I*]. The entry of Zimbabwe into the United Nations, having taken place at the beginning of this special session, is certainly an event of historic importance in itself and provides a proper ambiance conducive to the constructiveness, and hence success, of this session of the General Assembly.

346. The eleventh special session has before it three important tasks: assessing the recent past in an effort to find out the state of play against which groundwork could be laid for the future; finalizing and adopting the international development strategy for the third United Nations development decade; and launching a new round of global negotiations relating to international economic co-operation for development.

347. Examination of the international economic situation has shown clearly that the existing economic order does not function efficiently, that the prevailing crisis, which is deepening, is structural rather than cyclical in

¹⁶ See *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), p. 10.

nature, and that a wider strategy of structural changes could benefit all countries, developed and developing alike.

348. The structural imbalances which characterize the entire spectrum of the international economy have produced severe repercussions to the development efforts of all developing countries, vulnerable as they are because they lack the capacity to adjust themselves amidst fast deteriorating conditions.

349. A development of grave concern is the rising tide of protectionism and its ramifications under a variety of guises and euphemisms. Orderly marketing arrangements, voluntary export restraints and selectivity in the application of safeguard measures—in most cases, directed against imports of goods from developing countries—are only some examples of the dangerously negative trend in international trade. Protectionism without exception distorts the pattern of investment and postpones the otherwise urgent demand of the economy in highly industrialized countries to do away with labour-intensive and inefficient industries. By denying sufficient access to products of export interest to the developing countries, their earnings are severely curtailed, thus reducing their debt-servicing ability and aggravating debt problems still further. Their purchasing power is also reduced to a minimum, thereby undercutting their capacity to maintain a reasonable flow of imports of essential goods from developed countries the maintenance of which is also vital to keep the industries and employment in developed countries going at a satisfactory level. Thailand, which for several years enjoyed a satisfactory rate of growth, has recently been running into serious difficulties in its attempts to maintain an adequate flow of imports to sustain its development as a result of a nearly 40 per cent increase in the import bills for 1979 and 1980.

350. Protectionism, therefore, is a scourge that seriously threatens the development of the developing countries, while it offers no cure for the troubles in which developed countries find themselves today. To improve the lot of the less fortunate part of the world, conditions that govern the relationship between the developed and developing countries must be changed in such a way that fair and equitable returns to producers are recognized as truly legitimate. Tariff and non-tariff barriers to trade in tropical products, semi-manufactured and manufactured goods from developing countries must be removed, and urgent and positive adjustment policies must be put into action immediately to ease inefficient industries out of the developed economies, to uphold the validity of the oft-repeated principle of interdependence and to strengthen the rational rule of comparative advantage as well as the international division of labour. In addition, the purchasing power of the developing countries must be built up, an improvement that will also help developed countries escape from stagflation and unemployment while easing the resultant misery in both developed and developing countries.

351. As part of the efforts to bring about a free and open trading system in the world, developing countries joined with others in the five-year long exercise in the Tokyo round of multilateral trade negotiations. In spite of the long years of negotiations, the results gained in the light of the aims, objectives and commitments in favour of developing countries, as enshrined in the Tokyo Declaration of 1973,¹⁷ were dismal. Present-day

realities should suffice to convince all nations that the efforts to bring about a freer and more equitable trade could not be permitted to slacken and that negotiations should be continued as part of the global round until the objectives and commitments contained in the Tokyo Declaration, especially those dealing with the problems of developing countries, are fully realized. The time has indeed come for fresh initiatives to be taken to institute a new Havana charter that will provide a truly fair and equitable international framework for the conduct of international trade to the benefit of all.

352. No delegation that has made an objective assessment of the international economic situation will deny that serious problems in respect of money and finance have become more complex ever since the breakdown of the system, launched immediately after the Second World War, which was conceived of in the perspective of its time as a safeguard against a recurrence of the tragedies experienced during the 1930s. Even as early as 1973, when high-ranking officials from around the world gathered in Tokyo to launch the Tokyo round of multilateral trade negotiations, it was felt that a reform of the international monetary system was long overdue. Indeed, if my memory serves me correctly, a commitment to undertake such a reform was demanded by at least one important developed country as a *quid pro quo* for the start of the Tokyo round. In other words, there had been a clear recognition by all of the interdependence of problems in the areas of trade, development, technology, investment, money and finance even before the developed countries underwent the great "shock" of that same year.

353. It is imperative that the international community urgently address itself to reforming the international monetary system. This is so not only in order to bring order out of the chaos in the currency market at present, but also to lessen the enormous burdens, financially or otherwise, of the developing countries in the painful adjustment of their balance-of-payments deficits, which are, in most cases, the result not of their own mismanagement but of the chronic imbalances in the world economy. A new international framework for financial co-operation must also be found not only to provide for a joint endeavour, but also to enhance the functioning of the international economic system as a whole.

354. Monetary and financial problems plaguing the world are not isolated issues but are interrelated with other crucial aspects of the international economy which have a direct bearing not only on the development effort of the developing countries, but also on the success or failure of the establishment of the New International Economic Order, which can be achieved only through momentous and fundamental, but orderly, changes in the structure of the global economic relationship. As an essential ingredient of these changes, we must recast the international order through the adoption of new rules and principles governing international economic relationships that will ensure the full and active participation of the developing countries in global decision making and management.

355. Six years have elapsed since the adoption by the General Assembly of the Declaration and Programme of Action on the Establishment of a New International Economic Order [resolutions 3201 (S-VI) and 3202 (S-VI)], its Programme of Action and the Charter of Economic Rights and Duties of States [resolution 3281 (XXIX)]. It is true that a series of negotiations to give meaningful effect to those important resolutions has been launched. It is true also that agreements have been reached on a number of impor-

¹⁷ See General Agreement on Tariffs and Trade, *Basic Instruments and Selected Documents*, Twentieth Supplement (Sales No. GATT/1974-1), p. 19.

tant issues such as the rules governing restricted business practices, the Common Fund under the Integrated Programme for Commodities, the Convention on International Multimodal Transport, measures designed to relieve the debt burdens of the poorer developing countries, the establishment of IFAD and a number of positive measures adopted at the United Nations Conference on Science and Technology for Development held at Vienna from 20-31 August 1979.

356. Although those have been achieved after long years of protracted and often difficult negotiations, the balance-sheet on the implementation of the establishment of the New International Economic Order as a whole remains largely negligible.

357. An important and, indeed, highly vital purpose of this session is the finalization and adoption of a new international development strategy for the third United Nations development decade.

358. Much work has been done in this regard in the Preparatory Committee, chaired by the representative of Pakistan, who is also presiding over the negotiations of a final document at this session.

359. The situation obtaining today is vastly different from that which prevailed when the international community was formulating and adopting the International Development Strategy for the decade of the 1970s [*General Assembly resolution 2626 (XXV)*]. The present scenario is filled with preoccupations and concerns. As I stated before, there are few reasons for optimism.

360. Against that background, it would seem natural for us to lower our sights and settle for a minimum set of goals and objectives.

361. My delegation believes that we must not yield to such temptation. We must instead rise above such day-to-day preoccupations and exigencies and try to devise a strategy with a vision cast far beyond the developing crisis of the day and in this way ensure the achievement of sustained and accelerated growth and expansion for all countries in the medium and long term.

362. I have also learned that, even if the present formulation of the strategy is a modest one, negotiations on it have so far been difficult. Some developed countries continue to overlook the fact that this is intended to be the "international" development strategy encompassing the entire global community regardless of the difference in the social and economic systems of its components. The strategy to be adopted must represent a truly global consensus fully reflecting the shared concerns, responsibility, interests and common aspirations of the international community as a whole.

363. One aspect of the strategy which will go a long way in ascertaining that the goals for the present decade will be achieved is the target set for the flow of financial resources to developing countries. It is regrettable that the target of 0.7 per cent of gross national product, which was the same as that for the previous strategy and which is again reset for the new strategy but within a specific time-frame, is running into difficulties. The effect of this lack of consensus and the failure to implement the agreed target is clear: the development needs of the developing countries as envisaged by the strategy will not be fulfilled.

364. During the past decade official development assistance from the countries of the Development Assistance Committee was, on the average, 0.34 per cent. In 1980 this would amount to \$20 billion. If by 1984 the same average or a slightly increased average of 0.36 per cent were to be attained, the approximate official development assistance transfers would be only \$39.7 billion

at current prices, or only \$25.2 billion at 1978 constant prices. But if the target of 0.7 per cent were to be attained by 1984, the projected transfers would increase to about \$77 billion. And if we were to adjust the target by the year 1990 to 1 per cent of gross national product, the amount of \$200 billion would be available.

365. I singled out only one aspect simply to demonstrate in quantitative terms the implications of adopting the strategy for the next 10 years with sights set lower. My delegation hopes that the international community will in the end adopt a far-sighted goal, calling it realistically ambitious, if you will, so as to ensure that by the end of this decade we shall have brought about significant changes in the structures and sinews of the international economy to ensure a sustained, balanced and equitable development of all countries.

366. In the present world setting, most if not all countries do possess comparative advantages. However, this is a constantly changing pattern. If these advantages are used to produce goods and services at an optimum level, they would be more liberally available to all people.

367. A restructuring of the economic sectors of society so that more countries could produce optimally according to their dynamic comparative advantages would be in the interest of all countries, developed and developing alike. Therefore that should be an end objective of the new international development strategy. Once that is set in motion, a new international division of labour will emerge gradually but nevertheless steadily and unswervingly.

368. In my delegation's view, even as we attempt to come to grips with immediate short-term problems, we should not fail to make a firm commitment to work towards long-term structural changes in the world economy and in its management. We should by all means ensure that whatever short-term policies may be agreed upon are consistent with, if not supportive of, the long-term restructuring of the international economy. Such policies should be designed not only to remove the inefficiencies and inequities which in the final analysis can only harm and retard the healthy and balanced growth of the world economy but also to mobilize the full and as yet largely untapped potential of the developing countries for the process of economic recovery and sustained economic growth on the global level.

369. Substantial and fundamental changes in the structure of the world economy are not only the basic rationale behind the establishment of the New International Economic Order but also the thrust of the strategy as formulated at present for the 1980s which the Group of 77 is presenting to the special session [*see A/S-11/1 (Part IV), annex I*]. It is the hope of my delegation that we shall be able to finalize and adopt this strategy within the time-limit set for this session, for failure to do so would seriously jeopardize the already fragile fabric of international co-operation, peace and security.

370. The achievement of the objectives of the restructuring of the world economy requires an appropriate adjustment of existing mechanisms as well as the creation of new institutional frameworks for consultation and negotiation. Some proposed new frameworks in the field of trade and finance have been set forth earlier. But, broadly speaking, it should be noted that meetings among restricted groups of developed countries have not produced a visible improvement in the global economic situation. There is no doubt a great and urgent need to establish the means by which consultations can

be held that will involve participation by all groups of countries. The objective of these consultative and negotiating processes would be to work out a concerted approach to the management of the world economy, taking into account the interrelationship of problems in the different areas of the global economy. The new frameworks will also provide the forums for political interchanges at a high level, which are in essence the important ingredients for political decisions to be arrived at in the global endeavour to effect all the imperative changes in the structure of the international economy.

371. In that connexion, it should be noted that there is a system of consultations in sectoral areas in UNIDO and that useful proposals were advanced at the Fifth Conference of UNCTAD held at Manila last year to facilitate an orderly restructuring of the world economy.¹⁸ Unfortunately, the proposals made at that Conference, and followed up at later sessions of the Trade and Development Board, have so far failed to achieve a consensus. But in UNIDO the system of consultations has been established on a permanent basis and its coverage is expected to be considerably extended. Since this system brings together Governments, entrepreneurs, trade unions and consumer groups, and since decisions are arrived at by consensus, this mechanism is a unique vehicle for use in the present decade for an orderly restructuring of the world economy.

372. At the negotiating level, it is a welcome fact that this special session has been entrusted with the task of launching a new round of global and sustained negotiations on international economic co-operation for development. As already agreed in General Assembly resolution 34/138, the global negotiations will deal with all the issues in the fields of raw materials, energy, trade, development, money and finance, in a manner which will not disrupt ongoing negotiations in other forums but which will "reinforce and draw upon them".

373. Much time was lost in the Committee of the Whole—which served as the preparatory committee for the global round, to work out the agenda, procedures and time-frame for the global negotiations—with little substantive progress to facilitate the task of this session.

374. The sluggish pace of the deliberations during this session in regard to the agenda, procedures and time-

frame could have been avoided if the perennial question of the competence of the specialized agencies had not been raised. The same question was placed in the way of the deliberations on each and every one of the 20 items on the agenda of the Fifth UNCTAD Conference held at Manila.

375. A much greater exertion of will on the part of developed countries is imperative if this session is to be able to launch the global negotiations in the time set for that by the past session of the General Assembly. All the remaining issues regarding the agenda, procedures and time-frame for the global round must be resolved here, at this special session of the Assembly, so that the global negotiations can launch the task of negotiations from the very outset in January 1981.

376. No back-sliding on the consensus already reached in General Assembly resolution 34/138 is acceptable. Any attempt to defer actions required of this Assembly and to leave them to the global round itself will have far-reaching consequences, one of which will be the loss of the already diminishing opportunities for a sustained and constructive dialogue on the global level between developed and developing countries. I need not elaborate further on what this loss will mean in the present international setting, so fraught with tensions and insecurity the world over.

377. The stark realities of the present-day world—with an ever-increasing number of countries joining the international community, with more and more peoples to care for, and with the gap between the rich and the poor ever widening—are the causes of changes which have already been taking place. Such changes do have a momentum of their own. Left to their own devices, they can produce effects which are unpredictable. The Programme of Action on the Establishment of a New International Economic Order was perceived as a means to give orderly and meaningful effect to such changes through a comprehensive and integrated approach, thereby attempting to ward off the adverse consequences that disorderly changes would bring.

378. The only sensible choice before us is to work tirelessly and in good faith to achieve a restructured world society in which rationality, equity, equal partnership and commonality of interests would be the guiding principles and where the world must be looked at as one. As stated by the late Professor Bertrand Russell: "Mankind has become so much one family that we cannot insure our own prosperity except by insuring that of everyone else."

The meeting rose at 8.40 p.m.

¹⁸ See *Proceedings of the United Nations Conference on Trade and Development, Fifth Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.79.II.D.14), part two, annex VII.