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CONTENTS

AGENDA ITEM 71: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION:

(d) INDUSTRIALIZATION

(e) SCIENCE AND TECHNOLOGY FOR DEVELOPMENT

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)

ORGANIZATION OF WORK

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The meeting was called to order at 3.15 p.m.

AGENDA ITEM 71: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION

(d) INDUSTRIALIZATION

1. <u>Mr. KHANE</u> (Executive Director, United Nations Industrial Development Organization) said that 84 States Members had ratified the Constitution of UNIDO thereby fulfilling the requirement laid down in the Constitution for its entry into force, namely ratification by at least 80 Member States. That could be regarded as recognition by the international community of the importance of the role UNIDO could play in international co-operation in the industrial domain, as a reflection of the desire of Member States further to strengthen UNIDO's activities and as an expression of the commitment of the developing world to its own industrialization. The administrative and legal arrangements for UNIDO's conversion into a specialized agency would be the subject of discussion at the current session of the General Assembly. She hoped that, in accordance with the provisions of Economic and Social Council resolution 1982/66, the final arrangements could be made rapidly so that the organization could assume its new responsibilities at the earliest possible date.

2. It was appropriate to reflect on UNIDO's experience and achievements since the second General Conference at Lima in early 1975. The chief substantive function of UNIDO had traditionally been its technical assistance programme. Annual delivery of that programme had increased from some \$24 million in 1974 to the unprecedented level of \$88.5 million in 1981, and the expected level for 1982 was \$92.5. That record increase had helped to give UNIDO its place as the third largest executing agency for UNDP-financed projects. The financial difficulties confronting the United Nations system might, however, slow down the rate of growth, a development that would have serious implications not only for the developing countries but, in an interdependent world, for the industrial countries too. Indeed, UNIDO, together with other agencies of the United Nations system, was doing its utmost to introduce greater flexibility in its technical co-operation activities in order to make optimum use of the resources available to the programme. Those efforts, however, could achieve only limited results, and a major expansion of activities would require a clearer understanding and acceptance throughout the international community of both the necessity of increasing assistance to developing countries and the unique value of channelling such technical assistance resources through the United Nations system, which was the most effective way of achieving those ends.

3. Although UNIDO's technical co-operation programme would continue to be its principal activity, its contribution in that field would obviously remain at best only at the margin of the massive industrialization efforts and sacrifices of the developing world. Its contribution during the previous eight years might well be remembered more for the other dimensions that were developed to respond to the needs of the industrialization process in the South. In order to provide assistance in the formulation of strategies and policies, UNIDO had created its own research and development unit, and the results of that unit's research had been used in the projections for the Development Strategy for the current Decade and were being utilized by a number of United Nations agencies and private organizations. World-wide studies in a number of sectors had been compiled and

(<u>Mr. Khane</u>)

information had been disseminated concerning problems existing in certain important industries; in addition, country studies had been compiled in both North and South with the primary aim of assessing the problems and prospects of restructuring industry.

4. In order to provide an orderly framework for changes in the pattern of distribution of industry, UNIDO had devised the System of Consultations, which enabled industrialized and developing countries to discuss problems and possible solutions for creating new industrial capacity in individual sectors. Through the System, moreover, measures were being pursued for the building of infrastructure in the form of human resources and development and industrial financing.

5. The technology programme in UNIDO had been introduced to assist developing countries to establish or strengthen their technological capabilities in the selection, acquisition and evaluation of technology through innovative activities which did not lend themselves to being carried out as a long-term technical co-operation programme. Under the programme technology policy formulation had been promoted and an effort had been made to strengthen the negotiating capacity of developing countries through <u>ad hoc</u> specialized advisory services. The selection and development of technologies had been promoted through a co-operative programme on appropriate industrial technology, complemented by the provision of information through the Industrial and Technological Information Bank. Following the United Nations Conference on Science and Technology for Development a programme on technological advances had been started to keep developing countries aware of the implications of those advances in terms of policy action and capability-building.

6. Another basic requirement for sustaining and expanding industry in developing countries was an assured and continuous supply of energy. UNIDO, recognizing that need, had set up a special advisory group on energy, to be responsible for evaluating requirements and availability of energy for industry and for helping developing countries to adopt appropriate strategies and policies to cope with their energy needs, in line with the Lima target for industrialization.

7. No effort to industrialize the developing countries could start, let alone succeed, without appropriate financial arrangements. To that end UNIDO had established an investment co-operative programme, the primary aim of which was to mobilize direct foreign investment in new industries in the countries concerned. Several investment promotion offices had been set up in industrialized countries, in co-operation with the host Governments, and other techniques, such as investment promotion meetings, had been used. UNIDO had also developed a proposal for a new mechanism for financing industrial development. The Industrial Development Board had decided to continue its consideration of the proposal at its seventeenth session in May 1983.

8. Another noteworthy feature had been the expansion of UNIDO's activities in favour of the least developed countries and in the sphere of co-operation among developing countries. The organization of solidarity meetings had been the most prominent feature of UNIDO's initiatives in those two fields. It should be noted

(Mr. Khane)

that all the activities which he had described and which had been developed by the secretariat since the Lima Conference had been carried out without any noticeable increase in staff resources.

9. In 1981, a number of activities were carried out as part of the preparation for the Industrial Development Decade for Africa. The progress report on the Decade had been supplemented by a series of proposals prepared jointly by UNIDO, ECA and OAU for the formulation and implementation of the programme for the Decade. The proposals, which were adopted by the Sixth Conference of Ministers of Industry of the African Countries held in Addis Ababa in November 1981, indicated investment needs, priority sectors and infrastructure requirements. The Programme was subsequently endorsed by the Conference of Ministers of ECA in April 1982. An interagency meeting was also convened to consider ways and means of ensuring an effective United Nations system-wide approach to assist in the industrialization of the African countries. At the sixteenth session of the Industrial Development Board and at the second regular session of the Economic and Social Council, it had been recognized that the Decade's success would depend partly on the necessary resources being made available to those United Nations organizations concerned with its implementation. In that connection, he drew specific attention to Economic and Social Council resolution 1982/66, which called for adequate staff and financial resources to ensure effective co-ordination and implementation of activities related to the Decade. The Executive Director believed that there was an obligation on the part of all countries and the United Nations system as a whole to assist in the industrialization of the African continent, which was the least developed of the developing regions of the world.

10. The Fourth General Conference of UNIDO, scheduled for mid-1984, would provide a favourable opportunity to prepare a long-range strategy for the Organization which would be in the interest of all countries. The Industrial Development Board had approved the provisional agenda of the Conference, which included items such as a retrospective and a prospective evaluation of industrialization, an analysis of the difficulties encountered and a study of possible methods of overcoming the constraints which might arise in future with a view to achieving the Lima target. It had also been decided that an open-ended working group should meet periodically with the Secretariat during the period of preparation for the Conference.

11. He had repeatedly drawn attention to the need for budgetary resources to increase the volume of technical assistance provided by UNIDO. The Secretariat had renewed its efforts to improve the Organization's cost-effectiveness and had set up a system of evaluation of its activities which would help improve performance. He appealed to countries to contribute generously to UNIDO, particularly at the Pledging Conference early in November for the United Nations Industrial Development Fund.

12. <u>Mr. KAABACHI</u> (Tunisia) expressed appreciation to the Executive Director of UNIDO for having provided delegations with the French text of his statement and requested that other officials of the Secretariat and United Nations organizations should follow his example in future so that representatives would have the texts of statements in at least two working languages.

(e) SCIENCE AND TECHNOLOGY FOR DEVELOPMENT

13. <u>Mr. FERRARI</u> (Executive Director of the Centre for Science and Technology for Development) observed that most of the speakers which had preceded him had alluded to the economic and political context in which the Committee's debates and deliberations were taking place; of course, the effects of the present international financial crisis were also apparent in the field of science and technology.

14. Notwithstanding the tremendous efforts which still had to be made in order to obtain more adequate control of science and technology, the developing countries had made substantial progress towards that end in recent years. Many developing countries had created institutional mechanisms capable of planning policy for the application of science and technology.

15. In some developing countries like India, South Korea, Brazil and Mexico, the sectors linked with science and technology had become an increasingly important part of exports. Unfortunately, those gains were being undercut by the effects of recession, protectionist practices, difficulties in obtaining credits and a decline in the levels of international assistance.

16. In his Report on the work of the Organization, the Secretary-General had expressed his concern about the erosion of the vitality and force of multilateral co-operation. The Director-General for Development and International Economic Co-operation and the Administrator of UNDP had drawn the Committee's attention to the dangers of allowing multilateral mechanisms for development assistance to become paralysed for lack of support. In the past few years, the nations of the world had proved incapable of attaining the goals outlined by the General Assembly as the basis for development co-operation. But the Committee had the power to give new direction and impetus to United Nations activities relating to development problems.

The Vienna Programme of Action was an important political breakthrough in 17. international co-operation in the field of science and technology. Three aspects of the Programme's implementation merited particular consideration: the updating and revision of the scope and direction of the Programme; the execution of the Programme per se; and the activities for follow-up and evaluation of the Programme. With regard to the first aspect, the Intergovernmental Committee on Science and Technology for development had adopted a series of decisions designed to refine and concretize the Programme. Such decisions were normally taken on the basis of studies prepared by the Centre. In order to facilitate the implementation of the Vienna Programme, an operational plan containing over 100 suggestions for activities had been developed. At its fourth session, the Intergovernmental Committee had invited Member States to comment on the proposed activities in order to allow the Director-General, assisted by the Centre for Science and Technology for Development, to propose brief and specific guidelines for the consideration of the Committee at its fifth session. He reminded Member States of the Committee's request that they provide the necessary information as early as possible.

(Mr. Ferrari)

18. The Centre had received most valuable assistance from the Advisory Committee on Science and Technology for Development. In the course of 1982, the Advisory Committee would initiate an in-depth study of critical themes related to the Vienna Programme and panels of specialists would be convened for that purpose. The first group would concentrate on the study of emerging and traditional technologies. The second panel would deal with the question of human resources for planning science and technology. The third group would deal with the role of regional associations and organizations and the popularization of science and technology. The fourth group would deal with the question of the expansion of economic activities based on technological services.

19. With regard to the Vienna Programme of Action and the main actors responsible for its implementation, that is, Governments and the United Nations system, he stressed that Member States should apply the guidelines collectively agreed upon in the Intergovernmental Committee to orient their activities in science and technology. That was especially relevant for developed countries in view of the impact of their programmes of co-operation in science and technology, but the developing countries also had their share of responsibility for the implementation of the Vienna Programme.

20. In order to promote the execution of the Vienna Programme at the national level, the Centre had been organizing meetings with the representatives of the national focal points for science and technology. The first of those meetings had been held in Mexico City, in April 1982, and in view of the positive results achieved, the Intergovernmental Committee had recommended that similar meetings be organized in other regions in order to enhance the role of the national focal points. The Government of the People's Republic of the Congo had offered to host the meeting for the African region; the meeting would be held in Brazzaville later that year.

21. Turning to the activities of the United Nations system, he said that a distinction could be made between those activities that were to be implemented in the bienniums to come and those that could be implemented immediately. The main instruments for planning the execution of medium- and long-range activities were the medium-term plans of the various organizations.

22. Some organizations, in particular UNESCO, had reflected in their medium-term plans the goals and recommendations of the Vienna Programme. Other organizations of the system still had to make additional efforts if the medium-term plans were to be properly utilized.

23. Regarding those activities which could be implemented immediately, the United Nations system, through the Task Force on Science and Technology of the Administrative Committee on Co-ordination and its working groups, was organizing joint activities. The working groups were scheduled to complete their work by the end of the year. A series of sessions had just been completed and, as a result, joint activities were being planned in many areas. They included an interregional study of the implications of microelectronics for developing countries, assessment

(<u>Mr.Ferrari</u>)

of remote sensing technology, promotion and use of international standards for information handling, promotion of new information technologies, research in science and technology policies, planning and management in developing countries, creation of an African regional network for upgrading the manufacture, training and dissemination of agricultural tools and equipment, improvement of traditional building materials and techniques for low-income housing, provision of advisory services on low-cost rural transportation and creation of a research and development system for the developing countries financed by the United Nations. Naturally, considerable financing would be required and it should be remembered that all Governments shared a common responsibility in that regard.

24. The <u>Ad Hoc</u> Intergovernmental Group of the Whole on the Financing System set up subsequent to a request made by the General Assembly at its thirty-sixth session had produced a report on options for the sources of funds, organization and management of the Financing System. He stressed that progress in the establishment of the Financing System had been slow and that efforts to implement the Vienna Programme of Action would be severely limited unless the Financing System was given permanent standing.

25. With regard to the follow-up and evaluation of the Vienna Programme of Action, the Intergovernmental Committee had invited Member States to inform it of the progress made on the implementation process. Over 30 countries had transmitted their inputs in time for the last session of the Committee. Given the importance that the implementation process had at the national level, it would be of great value if the countries that had not been able to respond to the Committee's request would do so in the near future.

26. The Intergovernmental Committee had also invited all the organizations of the United Nations system to transmit information concerning their activities to the Centre on a yearly basis. Recently, the Committee had also determined that biennial reviews of the activities of Member States as well as those of the United Nations system should be prepared. The first of those reviews would be submitted to the Committee at its next session.

27. An increase in international co-operation in science and technology was not only feasible but was one of the surest means of improving development assistance.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (<u>continued</u>) (A/37/3 (Parts I and II), A/37/214, 232, 290, 296, and 333; E/1982/15 and Corr.l and 2, E/1982/70 and Corr.l; A/C.2/37/L.2 and L.3)

28. <u>Mr. GIHANI</u> (Libyan Arab Jamahiriya) said that his delegation shared the concern expressed by other delegations concerning the deteriorating world economic situation and the grave problems affecting the developing countries in particular. It was essential to accelerate the establishment of a new international economic order. Accordingly all countries must maintain a constructive dialogue. Nevertheless, some countries were seeking to preserve their hegemony and were even interfering in the internal affairs of other countries. By prohibiting the sale and transport of equipment for the petroleum industry, agriculture and other

(Mr. Gihani, Libyan Arab Jamahiriya)

sectors, the United States of America had imposed an economic blockade against the Libyan Arab Jamahiriya. In a statement made in October 1982, the Group of 77 also expressed its concern at the fact that some developed countries were exerting pressure on the Group and its policy.

29. Given the need to restructure the economic and social sectors of the United Nations system, his delegation supported resolution 1982/50 of the Economic and Social Council, dated 28 July 1982, on the revitalization of the Council.

30. His delegation attached the utmost importance to regional co-operation, particulary interregional co-operation. Increasing the number of countries represented on the Trade and Development Board could be another step towards the revitalization of the Council.

31. He expressed his delegation's solidarity with the Palestinian people who had once again been victim to the crimes and killings perpetrated by the Israelis. The Libyan Arab Jamahiriya supported Council resolution 1982/48, adopted at its second regular session of 1982, concerning assistance to the Palestinian people, in which all Governments and international organizations were urged to provide emergency assistance to the Palestinians.

32. Among other important issues before the Economic and Social Council, the Transport and Communications Decade in Africa was of the utmost importance for the developing countries since it was one of the most effective means of promoting trade and interdependence. The Economic Commission for Africa had played a very positive role in implementing the programme for the first phase of the Decade, as had been stated at the Conference of Ministers of the Economic Commission for Africa, which his country had had the honour of hosting in April 1981. A number of resolutions adopted at that Conference had been mentioned in Council resolution 1982/54, dated 29 July 1982. The Libyan Arab Jamahiriya had embarked on an ambitious programme for the construction of paved roads and airports and for the upgrading of ports and the telecommunications network. To that end, it had set up banks and firms in collaboration with various countries, particularly African countries.

33. His country was one of the many countries which were still suffering from the aftereffects of earlier wars - mines placed during the Second World War were still to be found in Libya and they were hampering implementation of development plans. Clearing an area of mines was an expensive business and he recalled that the General Assembly had on various occasions confirmed that the countries responsible for that state of affairs must compensate the injured countries.

34. Finally, his delegation welcomed Council decision 1982/147, dated 15 April 1982, regarding the inclusion of Arabic among the official languages of the Council.

35. Mr. Papadatos (Greece) took the Chair.

36. Miss BALI (India) said that the conclusions drawn at the second regular session of the Economic and Social Council, which were set forth in document A/37/3 (Part II), had been summarized with precision and clarity by Mr. Komatina, the President of the Economic and Social Council, in the foreword to that report. Mr. Komatina had highlighted the imperative need to strengthen multilateral economic co-operation, to work on an urgent basis for the launching of global negotiations in the interest of all countries and to endeayour to solve without delay the critical problems facing the world economy, namely, those relating to food, energy, financial flows and trade. The Committee should devote its full attention to the world economic recovery programme outlined by the Secretary-General at that session of the Economic and Social Council, which was a programme whose validity had been borne out in the declaration made on 8 October 1982 in New York by the Ministers of the countries belonging to the Group of 77. Of similar importance in that context was the report of the Committee for Development Planning on the nature of the world economic crisis and possible solutions to that crisis, prepared by an independent group of experts.

37. At that same session the Economic and Social Council had adopted resolution 1982/42 of 27 July 1982 concerning the convening of an International Conference on Population in 1984, which was a matter of vital importance to the developing countries. At that session her country had pledged a contribution of \$35,000 to the Conference and offered to act as host to the Expert Group Meeting on Fertility and the Family. That offer had been accepted, and her delegation was glad to state that preparations for the hosting of the Expert Group were under way. It was to be hoped that the General Assembly would adopt the financial estimates put forward for the Conference and that, in view of its obvious significance, the Conference would receive support even from those countries that had not voted in favour of the resolution in question.

38. Her delegation hoped that the General Assembly would adopt the proposed medium-term plan for the period 1984-1989. It was desirable that the General Assembly should also adopt the programme relating to East-West trade, which was awaiting a decision.

39. Her delegation also welcomed the adoption by the Economic and Social Council of resolution 1982/43 of 27 July 1982 concerning the setting up of an International Centre for Public Accounting and Auditing. In her view, such a Centre would strengthen technical co-operation at the interregional level, and it should therefore be given sufficient financial support and steps should be taken to ensure its early establishment, preferably in a developing country.

40. Her Government reiterated its firm support for the legitimate cause of the Palestinian people, especially at a time when they had been the victims of the brutal slaughter of innocent civilians, and urged the international community to support Economic and Social Council resolution 1982/48 of 27 July 1982 concerning assistance to the Palestinian people.

(Miss Bali, India)

41. Her delegation noted with appreciation the efforts being made to restructure and revitalize the Economic and Social Council, particularly Council resolution 1982/50 of 28 July 1982 concerning the Council's revitalization.

42. <u>Mr. GALKA</u> (Byelorussian Soviet Socialist Republic) said that his delegation shared the concern expressed by other delegations with regard to the deterioration in the world economic situation caused by the imperialist Powers.

43. His country disagreed with some of the conclusions and forecasts in the <u>World Economic Survey, 1981-1982</u> because they did not stress the fact that military expenditure and the outflow of capital from the developing countries resulting from the activities of transnational corporations were two major causes of inflation and economic stagnation. It was time that the United Nations conducted a study on the outflow of capital from the developing countries. There were indications that that flow of capital exceeded the volume of the so-called assistance provided by the capitalist countries.

44. The discriminatory economic measures taken by the United States had a destabilizing effect on the world economy and world trade. Some of those measures were directed against that country's own allies. The United States was attempting to attain its goals through dictatorial methods rather than through international economic co-operation. The methods employed by the United States represented a violation of the United Nations Charter and constituted interference in the internal affairs of foreign countries; the Economic and Social Council should therefore devote its full attention to those methods and condemn them.

45. His delegation wished to express its indignation at the acts of aggression committed by Israel against Lebanon and at the genocidal acts perpetrated against the Palestinian people, and condemned those countries that had not even momentarily interrupted their arms supplies to the Israeli aggressor. It supported Economic and Social Council resolution 1982/48 of 27 July 1982 concerning assistance to the Palestinian people.

46. The delegations of the Western countries had opposed adoption of the section of the proposed medium-term plan for the period 1984-1989 relating to the activities of UNCTAD in the field of East-West trade. Attempts had been made to alter the purpose of General Assembly decisions. His delegation, together with other delegations of socialist and developing countries, had opposed such attempts and would do its utmost to ensure that the existing text of the proposed medium-term plan was retained.

47. His Government supported Economic and Social Council resolution 1982/50 of 28 July 1982 concerning the revitalization of the Council, since its implementation would not result in an increase in the United Nations budget, while it would facilitate more effective use of the resources at the Council's disposal.

48. He announced that in the current year the people of his country were celebrating the sixtieth anniversary of the establishment of the Union of Soviet

(Mr. Galka, Byelorussian SSR)

Socialist Republics. In that short period of history, his country had become an industrially developed republic with a flourishing economy; in 1981 gross national income had increased by approximately 5 per cent, while industrial output had risen by approximately 4.5 per cent.

49. <u>Mr. PULZ</u> (Czechoslovakia) said that the seriousness of the current international economic situation was due to a variety of factors, whose effect was, in turn aggravated by the harm to economic co-operation among States resulting from the attacks made by the extreme right-wing forces of imperialism on détente and disarmament.

50. The ever-deepening crisis in the world capitalist system, manifested in the high inflation rate, the unemployment and the low level of productivity of the major capitalist countries, had an adverse effect on international trade, which, moreover, resulted in even worse conditions for the developing countries, whose balances of payment were affected in particular by the instability of world markets for raw materials, disruptions in the monetary system, and the adoption of protectionist measures by the advanced capitalist States. International trade also suffered as a result of the Western States' policies of economic coercion, such as embargoes, boycotts and economic sanctions. His delegation firmly opposed such policies and advocated increased confidence in economic relations among States. For that reason, it welcomed the fact that, at its most recent regular session, the Economic and Social Council had stressed the need to develop international economic co-operation, and believed that consideration of the Council's report (A/37/3) by the Committee would make it possible to achieve progress in that direction.

51. The arms race imposed on the world by imperialist circles had equally serious social and economic implications, since it was accompanied by a squandering of considerable human, financial and material resources. In view of the nuclear threat, any effective measures to achieve disarmament were deserving of support.

52. His delegation supported Economic and Social Council resolution 1982/50 concerning revitalization of the activities of the Council, and it felt that improvements in the Council's effectiveness must be achieved through the increased effectiveness of existing bodies. Furthermore, the Charter of the United Nations, in particular Article 55, represented a sufficiently broad base for the effective development of the Council's activities in the light of the need of States.

53. The Arab people of Palestine, who had recently been victims of unprecedented acts of genocide, were in need of effective assistance of the kind described in the Secretary-General's report on assistance to the Palestine people (A/37/214). The situation in the Middle East must be resolved by means of multilateral efforts leading to the withdrawal of Israeli forces and the effective exercise by the Arab people of Palestine of their inalienable right to establish their own State. Full support must also be given to the implementation of General Assembly resolution 36/173 relating to permanent sovereignty over natural resources in the Territories occupied by Israel.

(Mr. Pulz, Czechoslovakia)

54. His delegation supported the efforts of the developing countries to bring about a new international economic order based on equality of rights and mutual benefit. That objective, which, if achieved, would be equivalent to extending to the economic sphere the process of eliminating colonialism, continued to be nothing more than a mere hope because of the existence of international forces which were opposed to any replacement of the norms governing international economic relations by other and fairer norms.

55. His delegation also supported the expansion of interregional co-operation, the importance of which had been stressed at the second regular session of the Council, since that would facilitate the solution of many problems of common interest. One example of regional co-operation was the European Economic Commission, which had demonstrated at its most recent session that co-operation within the European region benefited all countries.

56. Referring, in conclusion, to the matter of negotiations of world scope, he pointed out that no important economic problem could any longer be resolved at the level of a small group of countries even if that group was economically powerful. Negotiations on a world scale should be held forthwith in order to provide a real possibility for the democratization of international economic relations.

57. <u>Mr. MORET</u> (Cuba) said that a review of the Council's work in 1982 made clear that the Council's second regular session had been affected by the tense atmosphere of the prevailing international situation, which was marked by grave political events and the reappearance of a structural economic crisis that had become chronic. While that crisis had originated in the developed capitalist countries, its harmful effects had been transmitted to the developing countries, which lacked the means to cope with them.

58. At the recent regular session of the Council, a majority of voices had called for channelling the efforts of the international community towards the achievement of a lasting peace, and for the immediate cessation of the arms race and respect for the principle that there could be no development without peace, and no peace without development. It had also been recognized that a genuine restructuring of international economic relations could be achieved only by re-establishing an atmosphere of international co-operation favourable to negotiations on a world scale.

59. His delegation shared the concern voiced at the recent ministerial meeting of the Group of 77 concerning the tendency of certain developed countries to adopt economic measures designed to bring coercive or political pressure against members of the Group of 77. The tendency of those countries thus to take advantage of their dominant position in the international economy added an element of injustice and insecurity to international economic relations.

60. A resolution concerning assistance to the Palestine people in Lebanon had been adopted by the Economic and Social Council with only one dissenting vote, that of the United States Government, ally and principal supporter of Israel. That

(Mr. Moret, Cuba)

resolution, along with other measures that might be taken in the light of recent events, would help to alleviate the suffering of the heroic Palestinian people. Moreover, after the recent criminal actions by Israel in the refugee camps of Beirut, he was convinced that the General Assembly would work tirelessly in an effort to stay the genodical hand being extended to eliminate physically an entire people.

61. The food problem had been one of the most controversial items dealt with in the Council's deliberations. The developed capitalist countries had maintained an inflexible attitude in regard to the draft resolution submitted by the Group of 77 at Geneva. Those countries had once again resorted to such despicable hairsplitting devices as differentiation and selectivity and had kept insisting on the need for conditional bilateralism. His delegation once again urged the developed countries to take a positive stand on the proposal of the Group of 77 regarding the draft resolution in question.

62. The Economic and Social Council had found itself unable to make any progress on important items such as agreement on arrangements for the prompt entry into force of the United Nations system for the financing of science and technology for development and institutional arrangements to keep under review activities relating to new and renewable sources of energy. His delegation advocated the speedy conclusion of negotiations on those topics.

63. The Economic and Social Council, at its second regular session, had endorsed resolution 419 (PLEN.15) of the Economic Commission for Latin America (ECLA) relating to the need for granting immediate humanitarian assistance to Nicaragua and Honduras, victims of floods that had resulted in serious loss of life and property. His delegation firmly supported the Council's recommendation to the General Assembly that it should take similar action.

64. In conclusion, his delegation felt that the resolution adopted by the Council on the revitalization of the Economic and Social Council was both constructive and realistic. The consultations being carried on by the Council would be conducive to restoring to it its principal role as the central body for policy formulation in economic, social and humanitarian matters.

65. <u>Mr. MWANZIA</u> (Kenya) noted that although the Committee had been busy over the last few years looking for a solution to international economic and social problems, the whole world, both developed and developing, was presently undergoing the most serious recession since the 1930s.

66. Africa was the home of about two thirds of the least developed countries in the world. Most of the African countries had inherited, at the time of becoming independent, a dual economic structure that was characterized by traditional and economic enclaves established by metropolitan capitals for the purposes of obtaining cheap raw materials and, in some cases, cheap labour. Most of those countries were still exporters of raw materials, and the market forces were still controlled by the metropolitan capitals. The majority of the African countries

(Mr. Mwanzia, Kenya)

were faced with food shortages and threatened by malnutrition, disease, poverty, unemployment, continued decline in export earnings, energy problems and many similar ones, to which must be added the brain drain.

67. His delegation noted with appreciation the steps which had thus far been taken by the Economic Commission for Africa, the Organization of African Unity and the United Nations Industrial Development Organization for the implementation of the Industrial Development Decade for Africa. It also welcomed and fully supported Economic and Social Council resolution 1982/66 B concerning that Decade.

68. His country would have the privilege of hosting the fourth General Conference of UNIDO at Nairobi in 1984. It was his Government's hope that it would be able to begin the preparations for that Conference with UNIDO as soon as possible.

69. The Government of Kenya, which was committed to support economic and technical co-operation among developing countries, had signed in December 1981, together with 17 other States of the eastern and southern Africa subregion, a treaty establishing, with technical assistance from the Economic Commission for Africa, a preferential trade area. The Kenyan delegation urged those States of the subregion which had not yet done so to sign the treaty.

70. Conditions in the least developed countries were a matter of great concern, and, the Kenyan delegation appealed to the international community to assist those countries to overcome their extremely serious economic situation.

71. The problem of food shortages was particularly acute in Africa. The continent needed direct food aid, as well as international assistance in increasing food production.

72. The Second Committee should continue to emphasize the need to reform the international monetary system in order to accelerate the transfer of resources in real terms to the developing countries. Those countries required increased financial resources for development; hence the need to achieve as soon as possible the target of 0.7 per cent of GNP for official development assistance. The international community should work out a common strategy for the attainment of all those objectives.

73. The Kenyan delegation urged those countries which were in a position to do so to make substantial financial contributions towards the realization of the activities planned in their respective fields by the Commission on Human Settlements and the United Nations Environment Programme.

74. In conclusion, he appealed to the international community to join in co-operation for development in order to make Africa and the world as a whole a better place for mankind to live in.

75. Mr. PIRACHA (Pakistan) said that his delegation concurred in the analysis made by the President of the Economic and Social Council in his foreword to the report on the Council's work. The magnitude and the persistent character of the crisis currently being faced by the world economy was unquestionable, and the urgent need for short-term measures to initiate the process of recovery could not be denied. It was ironic that, nevertheless, the members of the international community had not found it possible to agree on methods for solving a problem that affected them all. Specific proposals had been made in that connection in the report of the Committee for Development Planning and in the Secretary-General's statements to the second regular session of the Economic and Social Council, but so far the response of the international community seemed to be characterized by apathy. In an interdependent world, progress could be achieved only through joint action in which all nations participated as equal partners and through broadening the basis of equitable co-operation.

76. The delegation of Pakistan regarded Council resolution 1982/50 as important because it represented a first step in restoring the mandate entrusted to the Council in Chapter IX of the United Nations Charter, and it hoped that the provisions of that resolution would be fully implemented.

77. The report of the Committee for Development Planning on its eighteenth session was highly commendable, in particular its in-depth analysis of the international economic situation together with its effects and linkages. The report contained some extremely useful recommendations on measures which might form part of an economic recovery programme. In his delegation's view, the excellent analyses presented in the <u>World Economic Survey, 1981-1982</u> and in the report of the Committee for Development Planning had not been fully utilized. Ways and means should be considered whereby maximum benefit could be derived from the analytical work being carried out in all fields within the United Nations system.

In the context of the report of the Committee for Development Planning, he 78. referred to Economic and Social Council resolution 1982/41 on the identification of the least developed among the developing countries. The resolution recommended the inclusion of Djibouti, Equatorial Guinea, Sao Tome and Principe, Sierra Leone and Togo in the list of least developed countries. The delegation of Pakistan was confident that the General Assembly would have no hesitation in accepting the Council's recommendation. It should be pointed out, however, that the report of the Committee for Development Planning had once again underlined the need for a reappraisal of the criteria used for the identification of least developed countries, and apprehension had been expressed that the original purpose of the concept, which had initially been formulated with respect to technical assistance, might be distorted by too general an application to all forms of development Emotions should be set aside and the question looked at objectively so assistance. that the countries deserving to be placed in that category could derive maximum benefit.

79. The delegation of Pakistan was grateful to the United Nations Co-ordinator of Assistance for the Reconstruction and Development of Lebanon for his analysis and detailed presentation on the activities of the United Nations in that region.

(Mr. Piracha, Pakistan)

Recent tragic events in Lebanon had served to highlight the legitimate cause of the people of Palestine and at the same time the intransigence and ruthlessness of the Israeli authorities. The massive devastation caused by the invasion by Israel of a sovereign and independent State, the indiscriminate bombing, the merciless killings and the inhuman treatment meted out to the Palestinian refugees and Lebanese civilians by the invading Israeli forces, constituted a tragedy unparalleled in contemporary history.

80. The delegation of Pakistan had studied with interest the Secretary-General's report entitled "Assistance to the Palestinian people" (A/37/214). Nevertheless, following the Israeli invasion of Lebanon the activities of the United Nations agencies would have to be substantially increased if the conditions of the Palestinian refugees were to be appreciably improved. The situation had worsened considerably since the adoption of resolution 36/70. The new situation would demand a more comprehensive resolution, and the delegation of Pakistan was currently engaged in consultations in that regard.

81. At the second regular session of the Economic and Social Council, the Executive Director of the United Nations Fund for Population Activities (UNFPA) had given a comprehensive account of the preparations under way for the holding in 1984 of an International Conference on Population. Council resolution 1982/42 stipulated that the total amount of resources for the Conference to be provided from the United Nations regular budget should not exceed \$800,000 and that that amount should come to the maximum extent possible from existing resources. The delegation of Pakistan, which attached great importance to the convening of the conference, was gratified by the efforts that the Executive Director of UNFPA had made to raise voluntary contributions to meet the bulk of the expenditure for the conference. It appealed to all countries in a position to do so to make contributions in order to facilitate the early completion of all the formalities for holding the conference.

82. Referring to decision 1982/180 of the Economic and Social Council, transmitting to the General Assembly the text of a draft resolution entitled "Protection against harmful or potentially harmful products", he noted that the delegation of Pakistan regarded that resolution as highly important and hoped that the Committee would be able to adopt it in order to provide developing countries with a measure of protection against the export of such products.

83. <u>Mr. ALBORNOZ</u> (Ecuador) said that the need to revitalize the Economic and Social Council was part and parcel of the strengthening of the United Nations, which continued to be the best alternative and the chief hope for peaceful coexistence and positive co-operation among the peoples of the world. Over the preceding 36 years, the Council had created the vast network of United Nations activities for the promotion of higher standards of living, full employment and conditions of economic and social progress and development, in accordance with the Charter. It had also established the regional economic commissions and the United Nations Development Programme, which currently co-ordinated the activities of 36 agencies, funds and global and regional programmes, with a budget of more than

(Mr. Albornoz, Ecuador)

\$700 million a year. The Council had been the guide and co-ordinator of the activities of the 17 specialized agencies that constituted some of the main forums of contemporary international law and of the organized world community.

84. In recent years, however, there had been increasing criticism and disagreement from various sectors, since it was said that the Economic and Social Council had become inoperative, partly because it had set up such a complex system of committees and commissions that in-depth analyses of crucial issues were no longer made in the Council, which merely received reports and transmitted them to the Assembly, to other commissions or to the specialized agencies. That was of particular concern to Latin America, in the light of the fact that, during the deliberations that had culminated in the founding of the United Nations, that region had been the most persistent in urging the Organization to direct its attention to the struggle against poverty, ignorance and disease. It had been Latin Americans who had been the most determined in drafting the Charter provisions on international economic and social co-operation and on the functions and powers of the Council.

85. The revitalization of the Council was a matter of great urgency, especially for the developing countries. First, the Council must revert to being the forum for fundamental issues, which would deal at the technical level with questions of the utmost concern for the developing world and would lay down integrated policy measures in support of international co-operation in the priority areas of economic and social development. Furthermore, the Council should do its utmost to revitalize the United Nations system, co-ordinating the objectives and activities among the specialized agencies, the operational programmes and the funds for various aspects of development. The Council should discharge the mandate entrusted to it under the Charter to analyse the reports of the activities of the organizations of the system and to implement the Assembly's recommendations, in order to comply with the wishes of the international community.

86. Other matters of great importance should be considered in depth at the highest possible level in the Economic and Social Council, once it had been revitalized. That would be much more meaningful and effective than increasing the number of members of the Council. For example, it could tackle the question of expanding the financial resources of UNDP, with a view to reaching a stage in world development in which full use would be made of the existing industrial production capacity of the major countries and of the services of the United Nations system throughout the world. For that purpose, the Council should stimulate the political will of the big Powers, which was felt to be lacking. It would be very fitting if the major industrialized countries, in their contributions to UNDP, reached the very commendable level achieved by the Scandinavian countries.

87. It would also be appropriate to study the need to achieve a situation in which the vast power of the information media throughout the world moved spontaneously in the direction of co-operation in order to speed up development activities, help to enhance the effectiveness of the means and programmes for advancement in the poor countries, and keep the affluent countries more informed of everything that the developing countries were now doing to promote their own economic, social and cultural development.

(Mr. Albornoz, Ecuador)

88. Another aspect of growing importance in the overall picture of world interdependence were the South-South activities, in other words, co-operation among developing countries. In that regard, it was necessary for the Council to achieve an increase in the flows of multilateral co-operation at a time of proliferating bilateral arrangements - which were none the less useful, provided they did not entail a reduction in contributions to multilateral operational programmes such as UNDP.

89. <u>Mr. BOYD</u> (United Kingdom) said he supported what had been said during consideration of item 12 by the representative of Denmark on behalf of the European Economic Community and its member States. He also thanked the delegation of the Soviet Union for giving him the opportunity to make some remarks.

90. He said that speakers in the debate had struck a note of gloom, and rightly so, since they could not shut their eyes to the current severe problems facing the world economy and the international community. Hard things had been said in the debate and would continue to be said about the response of the industrialized countries to the current challenge.

91. His Government was committed to improving the channels of communication and understanding between the developing and the industrialized countries. Whenever meetings had been held to focus on real problems in the world economy, the United Kingdom had played an active part.

92. However, the British tradition was pragmatic. The United Kingdom wanted action that was generally agreeable and seemed likely to lead to results in problem areas, particularly those identified by the developing countries themselves as requiring the urgent attention of the international community.

93. He noted that, at the 8th meeting of the Committee, some surprising claims had been made. As in the Economic and Social Council, it had been claimed that in 1980, total economic assistance from the USSR to the developing countries had amounted to 1.3 per cent of its gross national product. The Soviet claim, if true, would put all the other countries to shame. Aid of that magnitude would amount to \$16 billion, which would be twice the size of the United States aid programme and more than double the entire aid flow from the OPEC countries.

94. If, instead, attention was given to the estimates of the Organisation for Economic Co-operation and Development (OECD), a different picture emerged. According to figures compiled by the Development Aid Committee, concessional net disbursements from the USSR in 1981, which were believed to have remained stable as compared with the preceding year, had been equivalent to \$1.6 billion, or 0.15 per cent of the estimated GNP, and was only one tenth of the amount claimed by the Soviet Union.

95. Another important question was a geographical one. To whom had that aid been given? Viet Nam appeared to have remained the major recipient, and it also appeared that in 1981 Cuba had benefited from an increase in Soviet economic

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(Mr. Boyd, United Kingdom)

assistance and that Afghanistan continued to receive large amounts of economic assistance. Other major recipients had been the Heng Samrin régime in Kampuchea and Laos.

96. A study of the statistics for Soviet aid to non-Communist developing countries would reveal some surprising figures. Those countries' net aid receipts from the Soviet Union had been a mere \$25 million in 1980, and in 1981 they were believed actually to have paid back about \$50 million more to the Soviet Union than they had received.

97. The Soviet claim was somewhat ambiguous. The "concessions" referred to in the Committee on the previous day had not been specified in detail, but they appeared to include export credits, in other words, Soviet credits granted to developing countries to promote the sale of Soviet goods.

98. Of course it would be argued that official development assistance was not the whole picture of international economic relations. That was true; trade, investment and international programmes of financial support were vital parts of that picture.

99. In that area, too, the Soviet Union played rather little part, standing aside from the world's financial and monetary system, carping at the activities of international trading entities which did not happen to be based in Eastern Europe, and, at the United Nations, standing aloof from the North-South dialogue.

100. The United Kingdom was of course very far from perfect. During the current economic recession its aid was not immune from the strict public expenditure restraints. But its development assistance remained at an impressive level: £1,082 million sterling had been disbursed in 1981, and that had been in convertible currency. The United Kingdom was the fifth largest OECD donor.

101. The United Kingdom's system was flexible and was also tilted towards the poorest. In 1981, 68 per cent of its bilateral aid had gone to those countries. As a percentage of its GNP, the United Kingdom's official development assistance in 1981 had amounted to 0.43 per cent.

102. Much had been heard recently about a decline in the commitment to multilateralism. The United Kingdom had, however, been making a significant and increasing contribution through the budget of the European Economic Community. The United Kingdom's record of assistance to the International Development Association, the major channel of multilateral assistance to developing countries, spoke for itself and the commitment of the United Kingdom to UNDP likewise remained strong. But, just as support for such instruments remained solid, so did his country's dislike of sectoral and special-purpose funds which, like non-convertible currencies, distracted finance from the main international institutions.

103. Investment and loans from the private sector were equally important for the development of developing countries. In that area also, his country had played a

(Mr. Boyd, United Kingdom)

leading role. In 1981, the United Kingdom had been the second largest source of private capital for developing countries among OECD countries, both in absolute terms and as a proportion of Gross National Product.

104. The maintenance of an open world trading system was vitally important for the majority of developing countries. His Government remained committed to continue to do its utmost to resist protectionist pressures, but a collective effort was required if there was to be an effective reduction in strain on the open trading system. The forthcoming ministerial meeting of GATT represented an important opportunity for all contracting parties to GATT to reaffirm their determination to pull their weight.

105. In the trade field the United Kingdom was acting in concert with its partners in the European Economic Community, which had been remarkably successful in keeping markets open to developing as well as to developed countries. Last but not least, the United Kingdom supported a sound international monetary system through the International Monetary Fund.

106. The United Kingdom believed that, for IMF to play its proper role in the future a substantial quota increase was needed. A 50 per cent increase could probably be regarded as the minimum necessary.

107. In conclusion, he said that those countries in a position to do so should participate in enhanced joint efforts.

108. <u>Mr. PLECHKO</u> (Union of Soviet Socialist Republics), speaking in exercise of the right of reply, said that the statement made by the representative of the United States of America at the 9th meeting had contained nothing new and represented nothing more than a further manifestation of his usual anti-Soviet attitude. The representative of the United States had, however, not only violated diplomatic custom but had also accused the Soviet Union of being unable to feed its own population. Such a pathetic accusation only served to demonstrate the United States representative's complete ignorance of the situation in the Soviet Union, although information on that country was easily available, for instance from official publications of his own country as well as of OECD.

109. He did not believe that the representative of the United States could be unaware of the fact that, according to 1979 FAO statistics, for example, many industrialized countries, such as Japan, the United Kingdom and the Federal Republic of Germany, imported 59 per cent, 23 per cent and 17 per cent respectively of their grain consumption. According to statistics of the United States Department of Agriculture, the Soviet Union had imported less than 10 per cent of its grain consumption during the previous 10 years. Moreover, the Soviet Union exported substantial quantities of various food products to the United States regularly obtained food from abroad. For example, in 1977, the United States had been a net importer of meat to a value of \$700 million. Bearing in mind that the rate of unemployment in the United States had just risen to over 10 per cent of the

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(Mr. Plechko, USSR)

population of working age and that, according to that country's own official statistics, more than 20 million people were below the poverty line, one might well ask who was really incapable of feeding its own population.

110. In the Soviet Union nobody was needy, hungry or homeless. The third generation of Soviet men and women had never known unemployment.

111. The representative of the United States had accused the Soviet Union of not participating in the Cancún Conference because it had nothing to offer the developing countries. The truth was that the Soviet Union supported a speedy start to global negotiations and had so indicated on a number of occasions.

112. In conclusion, he wished to refer to the 1968 publication entitled <u>Social</u> <u>Change in Soviet Russia</u>, in which the American sociologist A. Inkeles had expressed the view that all the United States experts on Soviet affairs had seemingly been shipwrecked alone on desert islands for many years, lacking any opportunity to modify their ideas, and so continued to repeat the same old clichés.

113. <u>Mr. HILLEL</u> (Israel), speaking in exercise of the right of reply, said that some representatives seemed to be unaware of the gravity of the world economic situation and were attempting to divert the Committee's discussion on item 12 from the crucial issues at hand.

114. His delegation was not surprised that certain representatives had defamed his country and had repeated exaggerations disseminated by certain media which had systematically distorted events in Lebanon. For the past 34 years, Israel had not ceased to hold out a hand of friendship to its Arab neighbours, but the only response had been a refusal to start any negotiating process on the Middle East.

115. In 1976, responding to the manipulations of certain Powers, PLO had seized the democratic State of Lebanon and had transformed the land into a place of terror and oppression, unleashing a civil war which had left tens of thousands of Lebanese people dead. Taking advantage of Lebanon's dismemberment, Syria had then invaded the country in order to realize its expansionist dreams. While transforming the life of the inhabitants of northern Israel into a nightmare and instigating terrorist and anti-Semitic attacks throughout the world, the terrorist organization had virtually enslaved Lebanon. For many years, that organization had stated that its only purpose was to exterminate Israel by military force. It was hardly surprising that Israel should react to such provocation by exercising its right to self-defence.

116. The considerable destructive capacity of the weapons which Israel had seized in the hideouts of the terrorists was irrefutable proof of their desire to act militarily against Israel. It was important to remember that the terrorist organization represented not the Palestinian people but the countries which financed its activities. It had been proved beyond any doubt that the majority of terrorist organizations, from the extreme right to the extreme left, had been trained in the Palestinian camps in Lebanon. The terrorists had deliberately

(Mr. Hillel, Israel)

concealed themselves among the civilian population in order to use the civilians as a shield behind which they could carry out their acts of terror. That shameful practice had been the sole reason for the civilian casualties.

117. Israel was making considerable efforts to help the Lebanese people, who were receiving assistance from Israel, treatment in Israeli hospitals as well as tons of food and medicines. Thousands of Lebanese, driven out by PLO, were currently able to return to their homes in southern Lebanon. For the first time, there was a chance for a political settlement in Lebanon.

118. With regard to assistance to the "Palestinian people", Israel favoured legitimate forms of assistance to the Palestinian Arabs and was co-operating fully with the relevant international agencies, while at the same time firmly opposing any form of assistance to the terrorist organization.

119. Israel was the only State in the Middle East to have made enormous sacrifices in the cause of peace. Through Israel's initiative, the Camp David Accords had offered Palestinians an autonomy which the Arab countries had consistently refused them. A known super-Power had made reference in the Committee to the situation in Lebanon and had employed language which it was not entitled to use. Its lack of respect for the rights of other nations and its lengthy record of aggression had been demonstrated in the eastern European countries and had culminated in its barbaric invasion and genocide in Afghanistan. Those who slandered Israel and who at the same time frequently used the language of aggression should not have the audacity to set themselves up in the Committee as advocates of peace.

120. The CHAIRMAN proposed that the time-limit for the submission of draft proposals on item 12 should be extended to 6 p.m. on Thursday, 21 October, with the exception of questions on which the report was not yet available.

121. It was so decided.

The meeting rose at 6.15 p.m.