

SUMMARY RECORD OF THE 15th MEETING

Chairman: Mr. PAPADATOS (Greece)

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The meeting was called to order at 10.45 a.m.

AGENDA ITEM 71: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued) (A.37/3 (part II), A/37/16, A/37/19, A/37/37 (part I and Corr.l and 2 and part II), A/37/211 and Corr.l to 4 and Add.l, A/37/260, A/37/291, A/37/324, A/37/333, A/37/381, A/37/390, A/37/447; A/C.2/37/2; A/C.2/37/L.5, L.6 and L.8)

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1. <u>Mr. KASEMSRI</u> (Thailand) observed that the deterioration of the world economy was reflected in high levels of inflation and in recession which, in 1982, had drastically reduced growth in the developing countries and aggravated their economic plight. The persistent recession in the developed market-economy countries had, in turn, weakened the prices of primary commodities from the developing countries, whose living standards and <u>per capita</u> incomes had further declined. The estimated debt of the energy-importing countries was currently \$500 billion.

2. His delegation had studied with keen interest the report of the SecretaTy-General on long-term trends in economic development (A/37/211), in which he indicated that the economic outlook was gloomy with no immediate recovery in

(Mr. Kasemsri, Thailand)

sight. It was extremely worrisome to note that, under the low-growth scenario contemplated in the report, which was the most likely scenario, all groups of countries would be experiencing less growth than that of the previous decade, and the general expansion of the world economy that had begun after World War II would come to an end. The developing countries would be among the most seriously affected by the situation: their development process would slow down and, as a result, they would have to curtail imports, while they would not be able to boost their exports sufficiently to alleviate their balance of payments situation. The efforts of the developing countries had been further hindered by depressed demand for and falling prices of commodities and by growing protectionism in the developed countries. As a result, the already low standard of living of the developing countries had declined sharply and there had been a staggering increase in their external debts. His delegation shared the views expressed in the Secretary-General's report to the effect that there were some critical areas for international policy action, in particular in the sectors of population, food and agriculture, energy, industrialization and trade, and money and finance.

3. In an increasingly interdependent world, there was an urgent need for concerted action to promote an overall integrated and multilateral approach for world economic recovery, development and growth. The launching of the global negotiations was, therefore, a prerequisite to a more balanced and equitable restructuring of international economic relations consistent with the goal of establishing a new international economic order.

4. While the short- and long-term outlook was bleak, the world community should not be discouraged. It must strengthen international economic co-operation and implement the International Development Strategy for the Third United Nations Development Decade. The Strategy provided a very effective developmental framework and full implementation of it would further promote international co-operation for development for the benefit of developed and developing countries alike. In that connection, the World Development Fund proposed by the Secretary-General in his report (A/36/572) should be established at an early date so that the developing countries would be able to accelerate the pace of their development.

5. His country attached great importance to food problems since it was an exporter of food and feed grains, which were its chief source of export earnings. However, despite its food surplus, Thailand's crop yield remained below the world average. About one quarter of the population, approximately 12 million people, lived below the poverty level. Thus, the target of the Fifth Five-Year National Economic and Social Development Plan (1982-1986) was to achieve 4.5 per cent growth for agricultural production.

6. Owing to the current economic crisis, his country continued to suffer from many other problems, such as balance of payments deficits, increasing unemployment, decreasing world commodity prices and increasing costs of agricultural inputs and capital goods. In addition, the various restrictions imposed by the developed countries on agricultural imports from the developing countries impoverished the food producers, thereby worsening the plight of the hungry and ill-fed. The World

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Food Programme of FAO and the World Food Council, which had met recently in Mexico, had suggested two practical measures for improving food security, namely the stimulation of food production in the developing countries and the strengthening of reserve programmes at all levels. The Association of South-East Asian Nations (ASEAN), for its part, of which his country was a member, had pioneered a regional scheme under which an emergency rice reserve of 50,000 metric tons had been established. In addition, his country had adopted a new national food programme aimed at improving the nutritional standards of the urban and rural poor.

7. The developed countries could adopt various measures that would help the food surplus developing countries to contribute more effectively to world food security and to alleviate hunger and malnutrition in all the food-deficit developing countries. The developed countries could also review their policies, giving, for example, serious consideration to the adverse impact on food-exporting developing countries of the dumping of rice or other agricultural commodities in the world market.

8. With regard to the emergency aid programmes, Thailand had co-operated closely with the United Nations agencies and international relief organizations to provide humanitarian assistance, including food aid, to hundreds of thousands of Indo-Chinese refugees in Thailand, to the Kampuchean people, and to displaced persons along the Thailand-Kampuchea border.

9. On 16 October 1982, his Government had observed World Food Day, the aim of which was to draw attention to food problems in the world, especially in the third world, where approximately 500 million human beings suffered from hunger and malnutrition, and to the need to increase food production and assure more equitable distribution. National efforts alone, however, were not enough; they had to be complemented by multilateral and bilateral assistance.

Science and technology for development had become an important area of 10. international co-operation, helping to promote peace, understanding and harmony in an increasingly interdependent world. The developing countries could derive much benefit from the long-term arrangements for the United Nations Financing System for Science and Technology for Development, the primary purpose of which was to provide a vehicle for the mobilization, co-ordination, channelling and disbursement of financial resources to assist developing countries in strengthening their scientific and technological capacities. It was in that spirit that Thailand had contributed both to the Interim Fund and the Financing System. It was disappointing to note, however, that little progress had been made in establishing the Financing System. Moreover, a major developed country had announced that it would not contribute, a decision that was deeply regrettable as it not only impeded efforts to implement the Vienna Programme of Action but would also have detrimental effects on other areas of North-South Co-operation. The Thai delegation therefore appealed to all the countries concerned to show goodwill and adopt a more conciliatory attitude so that a final agreement could be reached at the current session of the General Assembly. The Financing System could then become operational on 1 January 1983 as planned.

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11. Turning to the report of the Economic and Social Council, the report of the Industrial Development Board and the Secretary-General's note on the implementation of the Industrial Development Decade for Africa, he said that his country had always recognized the important contribution that industrialization could make to world economic recovery through the creation of employment opportunities, larger incomes and foreign-exchange earnings. In that belief, the delegation of Thailand had participated actively as an observer in the work of the sixteenth session of the Industrial Development Board and of the sessions of the Economic and Social Council. It welcomed the decisions and recommendations in document A/37/16, in particular the adoption of the provisional agenda for the Fourth General Conference of UNIDO, and the decision to maintain priority for the areas of industrial and energy-related industrial technology, industrial production, the development of human resources, special measures for the least developed countries and the system of consultations. It regretted, however, the failure to make progress towards the establishment of an international bank for industrial development which, given the current low level of assistance provided for that type of development, was more necessary than ever. It hoped, therefore, that a consensus could be reached on that matter at the next session of the Board.

12. Noting that UNIDO had obtained the required number of ratifications for the entry into force of its Constitution and could therefore be transformed into a specialized agency, he said that he was looking forward to the first conference of the new UNIDO, with the participation of all interested parties, and hoped that UNIDO's membership would include as many States Members of the United Nations as possible. He also endorsed the appeal of the African Ministers of Industry calling for greater support from the international community for the activities of UNIDO and the Economic Commission for Africa in connection with the Industrial Development Decade for Africa.

13. On matters relating to the Asian and Pacific region, the delegation of Thailand endorsed the main elements recommended by the ESCAP Ministers of Industry in 1977 for the reorientation of industrialization, namely, the strengthening of linkages between agriculture and industry, the orientation of industry towards satisfying the basic needs of the poor, the dispersal of industry away from metropolitan areas, and the development of small-scale industries and their linkages with large and modern industries. It was gratified to note that the Committee on Industry, Technology, Human Settlements and the Environment, at its session held at Bangkok from 7 to 13 September 1982, had reaffirmed the importance of those four main elements and had stressed the need to implement projects identified under those heads as soon as possible. It hoped, therefore, that the ESCAP member countries would be given greater support in their efforts to carry out policies for industrial reorientation.

14. In conclusion, he emphasized the significant role that women should play in the promotion of socio-economic development and co-operation. Thailand fully supported the integration of women in the development process. Its efforts at national, regional and global levels were directed to that end. Thailand therefore welcomed the progress made in the preparation of a world survey on the role of women in development and was ready to co-operate in it to the fullest possible extent. 15. Mr. MANGOUTA (Congo) said that all the recent reports and surveys showed that the world economy was experiencing a crisis of unprecedented severity. The few grounds for hope had been swept away by creeping inflation, recession, unemployment, monetary upheavals and gruelling poverty and misery. The system of economic relations established several decades ago by the developed countries seemed utterly outdated. That ancient order continued to accentuate the marginalization of nearly two-thirds of mankind. The general deterioration of the situation was accompanied by a stagnation of world trade, increasing balance-ofpayment disequilibrium, a drastic decline in the earnings of the developing countries and the fluctuations in and drying up of official development assistance. Thus, for the first time since the late 1950s, the real per capita income of the developing countries had declined in absolute terms. According to the most recent report of the International Monetary Fund, the economic growth of the non-oil-producing developing countries had slowed down drastically. In real terms, those countries' global production had risen only 2.5 per cent. The World Bank indicated that in 1981 international commodity prices had fallen by 14.5 per cent as against those of 1980. It was in the South that the effects of the recession and the economic debilitation of the industrialized countries were most sharply felt. Thus, in 1981, the overall volume of official development assistance provided by the OECD countries had declined by 4 per cent and on the average represented only 0.35 per cent of those countries' gross national product.

It was essential, therefore, to make a concerted effort to find solutions for 16. those problems, which could have unforeseeable consequences in all countries and the developing countries in particular. In that connexion, the delegation of the Congo reaffirmed its unswerving attachment to the principle of non-alignment which aimed to achieve the genuine democratization of economic relations with a view to establishing a new international economic order. To bring that about, economic relations based on outmoded geopolitics must be radically transformed and the following steps must be taken: protectionist barriers must be eliminated in order to revive international trade; the trend in raw material prices, which were extremely low, must be revised and then stabilized; inflation must be controlled through international monetary co-operation which would stimulate investment and official development assistance; debt servicing must be reduced through the adoption of an anti-inflationary policy based on cuts in budget deficits; the deadlock on the North-South dialogue must be broken and co-operation among developing countries must be intensified.

17. In that connection, given the ineffectiveness of traditional remedies, the opening of global negotiations assumed crucial importance both for the implementation of a co-ordinated world programme and for a redefinition of economic relations on a just and equitable basis. It was highly regrettable that those negotiations were currently at an impasse and it was urgently necessary to remove the obstacles to their opening which the international community had approved by consensus in General Assembly resolution 34/138 and whose political validity and viability had been reaffirmed by the Heads of Government who had met at Versailles in June 1982. It was therefore to be hoped that the flexibility and open-mindedness demonstrated by the Group of 77 throughout those negotiations would be shared by the countries of the North so that the operational phase of the negotiations could start during the present session of the General Assembly.

(Mr. Mangouta, Conga)

18. The objectives of the International Development Strategy for the Third United Nations Development Decade had been distorted from the start and the average growth rate of 7 per cent advocated in that Strategy was excessive. Far from being a supernatural cataclysm, the current crisis was merely the result of the sluggishness and atrophy of the system of international economic relations. In view of the global interdependence of economies, the recovery of the recession-bound industrialized countries would depend to a very large extent on the future prosperity of the developing countries. The emergence of industrial centres in the third world should therefore be encouraged. In that connection, his delegation hoped that, at its Fourth General Conference, UNIDO would carry out a retrospective and perspective world survey of industrialization, the difficulties encountered and the various formulae that would permit progress towards the objectives of the Lima Plan of Action.

19. The scope of the food deficit, aggravated by the persistence of the drought, revealed the gravity of the food problem in Africa. However, even though food needs continued to increase, the aid provided in the form of food grains was diminishing and many low-income countries had had to import grain by drawing on their budgets for resources which could have been allocated to development projects.

20. Science and technology for development remained a major concern for his delegation which, in that connection wished to congratulate the Executive Director of the United Nations Centre and his colleagues on the unflagging efforts which they continued to make to disseminate science and technology in developing countries. That was one area which ought not to remain the prerogative of some States or transnational corporations.

It was regrettable that no agreement had been reached on the long-term 21. arrangements for the Financing System for Science and Technology, despite the consensus that had emerged at the adoption of the System in August 1979 at Vienna. As evidence of the importance which the Congolese Government attached to science and technology as a prime mover for development, the Congolese Government would host, from 24 to 26 November 1982, the meeting of African government representatives and experts from focal points in connection with the implementation of the operational plan of the Vienna Programme of Action. His delegation strongly urged all the representatives of African countries to participate actively That high-level meeting would emphasize the following points: therein. formulation and implementation of policies in the field of science and technology for the development of African countries, strengthening of the role of the focal points and of the indigenous scientific and technological capacities of African countries, establishment of national infrastructures in that field and questions relating to human resources and regional and international co-operation. It was to be hoped that the meeting would make a decisive contribution to the efforts of the Intergovernmental Committee in Africa for action at the national and regional levels.

22. <u>Mr. DOMOKOS</u> (Hungary) said that it had become commonplace to paint a dark picture of the world economy: slowing down of growth, persistent inflation,

(Mr. Domokos, Hungary)

unemployment on the rise, increasingly spreading indebtedness, imbalance between supply and demand, liquidity problems, difficulties of access to markets, stagnating investments and, in short general recession, without any recovery in sight. The capitalist world, which was experiencing one of the longest and gravest crises in its history, was duty bound to re-evaluate the factors of production. The time was past when various forms of intervention had operated effectively and over-production had always been followed by expansion. Today, it was a structural crisis which shook the very foundations of the economic system. The remedies were, at best, insufficient, providing only partial and temporary improvements. Sometimes they even happened to have negative effects. The economy was caught up in a descending spiral and in unsolvable contradictions. All countries were affected, but the least affluent more so.

23. It was the internal logic of the capitalist economy that had led it to its present pass which was the end of an objective process. All the phenomena which characterized the current situation followed the usual pattern of the capitalist mode of production. But those problems had been aggravated by barriers artificially created to delay the inevitable changes. Thus, the arms race was squandering vast resources, contributing to inflation and absorbing funds which should be used for social programmes. The responsible circles sought to dominate the economic sector also: they ignored the Charter of Economic Rights and Duties of States and increasingly resorted to politically motivated embargoes. Many countries, guided by selfish interests and short-sighted considerations, were becoming isolationist. Under those circumstances, it was impossible to restructure international relations on a just and democaratic basis. It was, however, essential, in order to change the current situation, that, concurrently with intensive national efforts, all countries should commit themselves to collective action and more co-operation. What was required was to hasten change and not impede it.

24. For its part, Hungary was working along those lines. It had so far succeeded in reaching its economic priority goals despite the prevailing international situation: national income, consumption and productivity had increased in 1981, social services had been improved, and the standard of living and full employment had been maintained. However, the Hungarian economy was nevertheless very strongly affected by the repercussions of setbacks in the world economy: the terms of trade had deteriorated seriously and that trend was continuing; a considerable part of the national income went abroad; the Hungarian economy paid the price of economic or political measures adopted by some capitalist countries. In recent years, Hungary had taken vigorous steps to promote speedy adjustment to the new conditions: structural reforms, increased productivity, cutting production costs and rationalizing production and consumption. It had also been able to keep its external trade in balance and meet its foreign obligations. In that connection, the co-operation it received from the other socialist countries within the framework of CMEA was particularly useful.

(Mr. Domokos, Hungary)

25. In the sphere of industrial development also, a constant increase in restrictive measures was damaging long-term international co-operation, without which no real progress could be made. Hungary attached particular importance to industrialization as the key to economic independence. At the same time, the industrial growth of the developing world might provide a way out of the crisis. The lack of progress in that area was a serious problem, and it was particularly alarming in the case of the least developed countries. As financing was the major difficulty, external assistance would have to complement countries' internal efforts. UNIDO was engaged in noteworthy activity both in the field of technical assistance (in which Hungary was actively involved as a source of inputs and a donor) and in connection with industrial development strategies (although the operative and conceptual aspects should be better balanced). Hungary wished to take a constructive part in the preparations for the Fourth General Conference of UNIDO; it might be proper to add, however, that the efficiency of the Conference secretariat would depend more on a better organization of work and more intense co-operation with Member States than on an increase in financial allocations.

27. Concerning the world food situation, some increases in production had, of course, been registered in 1981, but not in all countries. Moreover, no concerted action had been taken, and the recession, constantly rising production costs, the growing scarcity of resources and delays by many countries in introducing urgently needed socio-economic reforms also had to be contended with. In those circumstances there was a resurgence of protectionist measures, which seriously affected the foreign trade of many countries, including Hungary. At its eighth ministerial session, the World Food Council had made a useful step towards the solution of food problems. It had realistically assessed the consequences of the arms race, emphasized the need for planned development in food production and reaffirmed that food should not be used as an instrument of political pressure. The idea of establishing a developing-country-owned reserve was interesting. Hungary invested considerable resources in the development of agriculture, which was an important sector of its economy. Its socialist agriculture had enabled it to achieve outstanding results and raise food production to a level where it could participate in international trade and thus contribute to the solution of the food problem in general. Hungary sent many experts to developing countries and trained specialists from such countries, who were keenly interested in the wide-ranging experience which Hungarian co-operatives and State farms had gained in the fields of production, organization and management.

27. <u>Mr. SAAB</u> (Food and Agriculture Organization of the United Nations) said that, despite the recent recovery in global food supplies, many problems persisted and might even worsen. The overall economic situation (stagnation in trade, high interest rates and hardening attitudes towards aid and loans) did not help, and the developing countries were the worst affected. Unless trends in food production changed, hunger in the world would grow worse over the coming two decades, as the FAO study entitled "Agriculture: Towards 2000" showed. Particularly in Africa, food production had not always kept pace with population growth and the related demand for food; in the 1970s food production had fallen by 10 per cent, with almost three quarters of the countries in the region being affected by the decline,

(Mr. Saab)

and the situation had worsened in recent years owing to adverse trends in trade and aid. Africa would have to invest between \$5 billion and \$7 billion (at 1975 prices) in the food and agriculture sector by 1990, and between \$7 billion and \$11 billion by the year 2000.

In order to deal with that situation, FAO had established a Global Food 28. Programme, the main aims of which were to stimulate agricultural production, to strengthen food security at all levels, and to liberalize access to the markets of developed countries and ensure stable and remunerative prices for developing countries exports. With specific reference to Africa, FAO had helped to formulate the Lagos Plan of Action and was assisting in its implementation: at present, nearly one half of the projects approved or in the pipeline related to planning assistance and training were for countries south of the Sahara. FAO had also identified about 750 projects, valued at \$800 million, for African countries. Zimbabwe had had an interesting idea when it had proposed the establishment of an inter-governmental group of experts to draw up an inventory of existing agricultural and food technology in Africa. The proposal would be duly brought to the attention of FAO, the technical agency responsible for all such questions, which already had ample information on the subject. Finally, the International Emergency Food Reserve played a vital role by providing assistance to 10 million disaster victims throughout the world. Contributions in 1981 had exceeded the target, but pledges for 1983 and 1984 amounted to only one third of the volume of assistance that was needed. The future of the Reserve was therefore uncertain and planning was very difficult.

29. However, good planning would not by itself increase food production; policies must also be integrated and made coherent within national development objectives. For example, agriculture must be given higher priority, stimuli such as price incentives must be introduced, favourable economic conditions must be established and, above all, there must be economic and political stability.

30. Where food security was concerned, it was unfortunate that advantage had not been taken of the good cereal harvests of the past two years in order to establish a global system of food security. In its Global Food Programme, FAO recommended the following measures: harmonization of food security policies (including stock-holding) between cereal-importing and cereal-exporting countries; strengthening of the International Emergency Food Reserve, making it larger and more predictable; an increase to 10 million tons in the "floor level" of aid guaranteed through the Food Aid Convention (food aid being a potentially powerful tool for rural development; WFP devoted 80 per cent of its development assistance to that purpose); and expansion of the infrastructure in developing countries (including adequate storage facilities and systems to monitor food supplies). Food security encompassed production, distribution and trade and involved both individuals and nations, singly and collectively. The time had come to redefine the problem, to establish new approaches and to review the role of the Committee on World Food Security.

(Mr. Saab)

31. The international community had shown little generosity in the face of the world economic slow-down. Such "nationalism" had been particularly apparent in the cereals economy, which remained very unstable. However, supply management schemes that were justified by domestic considerations alone might subsequently lead to problems in the international market. At the same time, the countries which provided aid were tightening their purse-strings at the worst time for agriculture. The current shortfall in the estimated requirements for assistance was of the order of 40 per cent, whereas it should increase by 50 per cent in real terms (\$12.5 billion at 1975 prices) by 1990. The terms of agricultural trade had also seriously deteriorated for developing countries: in 10 years their export earnings had decreased by 16 per cent in relation to the price of manufactured goods and crude petroleum, and for Africa the decline had been nearly 50 per cent.

32. He wished to refer especially to the measures needed to improve the plight of poor and hungry rural populations. FAO participated in the WFP "food for work" programme, which provided work while at the same time enhancing nutrition. There was much that Governments could do. They could facilitate equitable access to land, water and other inputs; purposefully orient their development policies towards the need of the rural poor; enable them to establish their own organizations so that they might be heard and might participate in all stages of development projects that affected them; recognize the vital role women played in rural development; and mobilize the unutilized energies of the rural poor, which could constitute a major vehicle for growth, national or global, and open the way to the general economic recovery with more equitable and more durable structures. FAO was ready to contribute to that task in all matters within its competence.

33. <u>Mr. AL-HADDAD</u> (Democratic Yemen) noted that obstacles to the implementation of the International Development Strategy had continued to exist and that, in addition, the attitude of some industrialized countries had caused a delay in the global negotiations, thus dashing the hopes of the developing countries. It was high time for the industrialized capitalist countries to demonstrate the necessary political will to overcome the international economic crisis and to realize that, with regard to the settling of current problems, the developing countries had become full partners and influential factors within the international community. He also stressed that the arms race, which absorbed enormous sums of money, had adverse effects on the level of development of the poorer countries.

34. The general concepts set forth in the Charter of Economic Rights and Duties of States should make it possible to establish balanced economic relations between States, a step which the international community very much needed in the current crisis. Democratic Yemen therefore appealed to all nations to apply those concepts.

35. His delegation believed that a strengthening of the role of industry in the developing countries was of fundamental importance. It was pleased to note the efforts that had been exerted to convert UNIDO into a specialized agency, which would make its activities more effective. It also hoped that the preparations for the Fourth General Conference of UNIDO would constitute a solid basis for the success of the agency.

(Mr. Al-Haddad, Democratic Yemen)

36. The question of science and technology for development was of major importance, and his delegation regretted that there had been delays in implementing the Vienna Programme of Action. The technological dependence of the developing countries hampered their economic growth. The establishment of a United Nations Financing System for Science and Technology for Development would make it possible to solve many problems in that area.

37. With regard to the food sector, Democratic Yemen, which was at a disadvantage because of its shortage of arable land and irregular rainfall, was doing everything in its power to overcome its problems and was allocating a large part of its budget to food subsidies in order to supply the needs of its population as best it could.

38. <u>Mr. GALKA</u> (Byelorussian Soviet Socialist Republic) said that systematic and universal respect for the standards and principles laid down in the important Charter of Economic Rights and Duties of States would make it possible to adapt international economic relations to the realities of the contemporary world. However, that presupposed the elimination of the contradiction which existed between the new relationship of world political, social and economic forces and the privileged position of the major capitalist Powers. Despite the few practical measures taken in the past decade to apply the provisions of the Charter, particularly by the developing countries, observance of the Charter remained limited owing to the position of the leading imperialist Powers, which wanted to maintain the existing system of international economic relations based on dependence of the developing countries. The policy pursued by certain Western countries of destabilizing Governments that were considered undesirable or imposing economic sanctions was also a flagrant violation of the Charter.

39. The restructuring of international economic relations had, moreover, been slowed by the deterioration in international relations and the acceleration in the arms race, for which aggressive imperialist circles were responsible. The arms race monopolized an enormous quantity of resources and capital, even in the developing countries. It was not difficult to imagine how much easier it would be to resolve the problems of industrialization experienced by many developing countries if part of the resources thus swallowed up were diverted to industry. The provisions of article 15 of the Charter of Economic Rights and Duties of States, relating to general and complete disarmament, were thus as relevant as ever. In that regard he stressed the importance of the Soviet proposals to arrest the arms race and take genuine disarmament measures.

39 <u>bis</u>. Latterly the Western Powers had intensified their propaganda campaign to induce the developing countries to believe that they could resolve their problems through the free play of market forces. The sole aim of that campaign was to further open up those countries to private capital, to secure for capitalists the best possible conditions for the exploitation of these countries' natural resources and to facilitate capital transfers.

40. By exporting their problems, capitalist circles were widening the gulf between developed and developing countries. That was why the Soviet Union doubted that

(Mr. Al-Haddad, Democratic Yemen)

UNIDO could continue to establish so-called investment bureaux in Western countries. That was, in any event, contrary to its mandate, which was principally to provide technical assistance to developing countries and to foster the development of their industrial capacity. UNIDO should, moreover, make available to those countries the experience gained by States, particularly the socialist States, in industrial development. The economic capacity of the Byelorussian SSR, which had doubled over the past 10 years, was such that it could participate in the strengthening of economic, scientific and technical co-operation with many countries throughout the world, particularly developing countries.

41. Turning to long-term economic development trends, he said that correct analysis of those trends and forecasting could improve international economic co-operation. In that regard, the Byelorussian SSR attached great importance to the work undertaken by the Economic Commission for Europe and approved, in particular, of the endeavours to prepare overall economic forecasts for the European region until 1990.

42. With regard to the integration of women in development, his delegation stressed the need to ensure legal and practical equality for women in every sphere of life. To enable women to participate in development, vigilance should first be exercised to ensure that all States respected the international instruments that defended women's rights and promoted their integration in social and economic development. The Byelorussian SSR offered a good example in that respect.

43. <u>Mr. KAZIM</u> (Afghanistan) said that his country was gravely concerned at the alarming deterioration in the international situation, both politically and economically. The current crisis, which was structural in nature, had become one of the most serious current problems.

44. It was regrettable that the capitalist countries, whose imperialist economic policy was geared towards maintaining the developing countries in a state of dependence, lacked the necessary will to find effective and equitable solutions to the current crisis. All the characteristic elements of that crisis, from low growth rates and unemployment to the reappearance of protectionism, hindered the efforts made by third world countries, particularly the least advanced, to develop their economies.

45. Moreover, the negligible progress achieved in the establishment of the new international economic order threatened to have serious consequences for international economic co-operation and peace and security. It was particularly deplorable that despite the efforts of the developing countries no agreement had been reached on the procedure and timetable for the global negotiations. Yet, the draft resolution proposed by the Group of 77 in March 1982 and their recent proposals were flexible enough to satisfy all parties.

46. It was regrettable that owing to the world crisis and the economic policies adopted by the capitalist countries, developing countries had been unable to attain the growth rates established in the International Development Strategy. For them

(Mr. Kazim, Afghanistan)

to do so would require a real increase in the flow of financial resources to developing countries. Official development assistance had still not reached 0.7 per cent of GNP for all developed countries, as stated in the Strategy, except in the case of the Soviet Union. Afghanistan thus urged all nations to respect the commitments they had undertaken in adopting the Strategy.

47. With regard to the Charter of Economic Rights and Duties of States, his delegation urged those capitalist countries which had not yet ratified that instrument to re-examine their position and hoped that the matter would be reviewed by the General Assembly.

48. Concerning industrialization, he stressed the need for a world-wide restructuring in order to promote the industrial development of the developing countries. The present world economic system and the current economic crisis - and the consequent increase in protectionism in the developed countries - were barriers which prevented the industrial objectives of the International Development Strategy from being attained. The measures taken to surmount those difficulties were very limited. That was why Afghanistan considered that UNIDO could play an essential role in promoting the industrialization of developing countries, and trusted that that organization would soon become a specialized agency.

49. It was of vital importance for developing countries to strengthen their technological capabilities. His country was opposed to attempts by certain capitalist countries to monopolize technology, and hoped that the work of the United Nations Conference on an International Code of Conduct on the Transfer of Technology would be successful. In addition, he welcomed the decision of the General Assembly on the establishment of a United Nations Financing System for Science and Technology for Development, and hoped that the negotiations on the long-term arrangements for that system would be concluded as soon as possible. His delegation recognized the critical importance of co-operation between developing countries in the field of science and technology. It welcomed the results of the meeting of the heads of science and technology agencies of developing countries held in New Delhi in May and urged the speedy implementation of its recommendations.

50. Turning to food problems, he stated that the worsening of the critical food situation faced by most developing countries was a cause of great concern. It was thus urgent to prepare a long-term programme to eradicate hunger and malnutrition by the year 2000. It was also necessary for the developing countries to co-operate among themselves in that area and to reduce their dependence on the capitalist countries. It was important for the food strategies they adopted to be in accordance with their national plans and priorities, rather than being imposed from outside. Food was too often used by certain capitalist countries as a political weapon. In that regard he referred to the pressure exerted on WFP for it to cease its food aid to the Democratic Republic of Afghanistan. He urged that organization to resume its operations in his country immediately. Afghanistan fully supported the draft resolutions contained in documents A/C.2/37/L.5 and L.6, and trusted that they would be speedily adopted.

(Mr. Kazim, Afghanistan)

51. The development of human resources was a prerequisite for social and economic development. Women played a basic role in that process, and it was important to integrate them into it. He therefore stressed the need to implement the resolutions adopted on the subject by the United Nations and expressed the hope that the world survey on the role of women in development would be submitted as quickly as possible. He urged the developing countries to participate actively in the preparatory work for the World Conference of the United Nations Decade for Women, due to take place in 1985.

52. Turning finally to the long-term trends in economic development, he noted with satisfaction the report of the Secretary-General on the subject. Afghanistan shared the views expressed in that report and believed that long-term perspectives should serve as a framework for concerted policy action. In conclusion, he said that his delegation fully supported draft resolution A/C.2/37/L.8.

Mr. de la TORRE (Argentina) said that a review of the two years which had 53. passed since the General Assembly had adopted the International Development Strategy for the Third United Nations Development Decade did not give rise to optimism. The lack of growth in international trade had been compounded in 1981 by a slowing of economic growth, which was particularly serious in the developing countries. The World Economic Survey for 1981-1982 indicated that, for the first time since the 1950s, gross national product per capita had fallen sharply. Furthermore, the international scarcity of credit, a result of the tight monetary policy of certain industrialized countries, had led to a steep rise in interest rates and a large increase in the indebtedness of developing countries. Those economic difficulties, which also affected Latin America, showed clearly that the international system could not ensure sustained and balanced growth. Furthermore, the developed countries, through their negative attitude, were compounding the effects of the crisis and were giving rise to doubts about the possibility of achieving the goals set forth in the Strategy.

He felt that it was more necessary than ever to recall the importance, 54. particularly for the developing countries, of the Charter of Economic Rights and Duties of States, the very basis of international economic co-operation. Ouoting article 32 of that Charter, he stressed the grave political, legal and economic consequences which coercive, or even punitive, measures taken jointly by powerful developed countries could have for the developing countries and the adverse impact of such measures on the North-South dialogue. Various non-governmental and intergovernmental organizations had taken a stance on those joint measures, which were in fact an infringement of the sovereign will of the developing countries. The Ministers for Foreign Affairs of the Organization of American States had declared at their twentieth Meeting of Consultation that those measures were incompatible with the United Nations Charter, the Charter of the Organization of American States and the General Agreement on Tariffs and Trade. The Co-ordinating Bureau of the Movement of Non-Aligned Countries at its meeting at Havana had also condemned the use of coercive measures, deploring the sanctions imposed against Argentina and requesting the countries which had decided to impose those measures to rescind them, thus contributing to the restoration of peace in the South

(Mr. de la Torre, Argentina)

Atlantic. Regional bodies like the Latin American Free Trade Association (LAFTA), the Andean Group, the Latin American Economic System (SELA) and the Regional Conference of FAO for Latin America had also expressed their concern at that type of coercive action and, in the name of solidarity among developing countries, had taken various measures to reduce the effect of the sanctions imposed against Argentina. In that connection, he made particular reference to decisions 112 and 113 adopted by the SELA Council at its eighth session, which dealt respectively with the imposition of coercive economic measures against developing countries and regional arrangements for economic security. He referred to the Final Declaration adopted at the meeting of the Ministers for Foreign Affairs of the Group of 77, which stated that the tendency of certain developed countries to pressurize members of the Group of 77 added an element of injustice and insecurity to international economic relations.

55. He also stressed the importance for developing countries of world food problems, which were the result of an unjust international order and were made worse by the current economic crisis. In that connection, he deplored the practices of developed countries which, by subsidizing exports and imposing trade barriers, blocked the efforts of developing countries to increase their food production. He supported the proposal adopted by the World Food Council at its eighth ministerial session, according to which developing-country-owned food reserves should be established with a view to strengthening their self-reliance and improving food security. He felt that it was up to international organizations to finance the establishment of such reserves and the building of warehouses, taking account of the fact that certain exporting developing countries already had the necessary infrastructure. A large number of exporting countries had to accede to that agreement in order to stabilize prices. In that connection, his delegation also supported decision 127 adopted by the SELA Council at its eighth session and endorsed by the Regional Conference of FAO for Latin America, which aimed at establishing an action committee responsible for setting up a regional system of food security.

56. Turning to industrialization, he stressed that the Lima objective seemed to be increasingly distant, since it was thought that the developing countries' share of world industrial output would reach only 16 per cent, instead of the 25 per cent planned, by the end of the century. Given those scarcely encouraging prospects, the targets set for the Industrial Development Decade for Africa should be supported. Emphasizing the efforts of UNIDO, particularly in the field of technical co-operation, he reaffirmed his delegation's support for the System of Consultations and the proposal for setting up an International Bank for Industrial Development. He was gratified by the progress made in the conversion of UNIDO into a specialized agency.

57. With regard to science and technology for development, he noted with concern that 1982, considered to be a year of transition in establishing the financing system, was drawing to a close without any consensus having been achieved on that question.

58. Stressing that the crisis which had been affecting the system established at Bretton Woods for more than a decade was undermining the very foundations of economic relations among States, he said that the developing countries, including Argentina, were suffering severely from the political measures and economic relations imposed on them at a time when they needed to be accepted as full partners in the international economic dialogue. If there was any further delay in making the necessary changes to the international economic and political system, a process which was proving irreversible would only be made more difficult.

The meeting rose at 12.50 p.m.