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Friday, 5 October 1979
at 3 p.m.
New York

SUMMARY RECORD OF THE 7th MEETING

Chairman: Mr. MURGESCU (Romania)

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The meeting was called to order at 3.10 p.m.

GENERAL DEBATE (continued)

1. Mr. BENDANA (Nicaragua) said that, while his country was of course deeply concerned about the item on assistance for the reconstruction of Nicaragua, it did not regard it as being separate from the problems of the developing countries as a whole. In order to put an end to under-development, dependence and exploitation must first be abolished. The restructuring of the international economic system through the new international economic order was a basic step toward that goal, and the Nicaraguan revolution was his country's contribution to the establishment of the new order.

2. Nicaragua's development had been adversely affected not only by the unjust international structure but also by the military dictatorship of the Somoza family, and the effects of the destruction caused by the Somoza régime would continue to be felt. After the dictator had been overthrown, at the cost of some 4,000 lives, the country had begun the task of national reconstruction, which might prove more difficult than the overthrow of the dictator had been. The political and social conditions for laying a basis for true democracy now prevailed in Nicaragua. However, the people realized that the economic situation, both national and international, would determine its capacity to reconstruct. It therefore urgently required the support and solidarity of Governments and peoples throughout the world, expressed through financial co-operation.

3. For that purpose, the Latin American Economic System, the Latin American Group in the United Nations and the Economic Commission for Latin America had decided to press for an international fund for the reconstruction of Nicaragua, the aim of which would be to channel, in a timely and orderly fashion, such financial co-operation as countries throughout the world might be willing to provide. As Commander Ortega Saavedra had stated in his address to the 13th plenary meeting of the General Assembly, the foreign debt of the Somoza régime must be an international responsibility and must be borne mainly by the developed and economically powerful countries, especially those that had sustained the Somoza régime through financing. His delegation urged the developing countries and the socialist countries to join with the countries of Latin America in facilitating the submission of the draft resolution on the subject to the General Assembly as soon as possible.

4. Mr. STRAUSS (Czechoslovakia) said that continuous efforts for peace, security and détente throughout the world were a prerequisite for the solution of important global problems and questions of economic co-operation. Recent developments confirmed that the endeavours currently being pursued in various international

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forums and in bilateral and multilateral negotiations were proceeding in the right direction. In that connexion, he drew attention to the draft declaration on international co-operation for disarmament submitted by his delegation to the General Assembly at the current session, the purpose of which was to contribute actively to the creation of an international climate conducive to the speedy achievement of progress in the field of disarmament.

5. The current improvement in the European political situation following the signing of the Final Act of the Conference on Security and Co-operation in Europe was creating favourable conditions for an all-round and intensive development of mutual relations which should extend to the fields of economy, science and technology. Such a development would have a favourable impact on other fields and would also help to overcome certain negative phenomena that up to now had represented the main obstacles to the development of the world economy. Foremost among those were inflation, the slackening of economic growth, the impact of the current situation in monetary markets, the growing tendency to protectionism and other phenomena accompanying the deteriorating economic situation of many countries, especially developing ones. The disparities in the levels of economic development in different countries continued to widen and the economic dependence of the developing countries was increasing. The development problems of the developing countries persisted despite the fact that certain aspects of those problems had been tackled recently.

6. The economic situation and social problems in the advanced capitalist countries, especially such phenomena as inflation, protectionism and unemployment, were the main causes of the unsatisfactory state of the world economy. The lack of success of efforts to implement the decisions of the sixth and seventh special sessions of the General Assembly was due to the resistance of international monopolist circles and their policy of neo-colonialist exploitation of the developing countries. The internal resources of the developing countries could not be mobilized for their own development without a fundamental change in the existing system. The socialist countries had played no part in the creation and preservation of that system and were not responsible for the consequences of colonial or neo-colonial exploitation of the developing countries. On the contrary, because of its stabilizing effect on the world economy, the economic development of the socialist countries was making a positive contribution to the process of structural changes in international economic relations.

7. As the representative of the Council for Mutual Economic Assistance had pointed out, the 30 years that had passed since the establishment of the Council illustrated the important successes achieved by the socialist countries in the field of their mutual economic co-operation. The figures on the growth of national income, which for the CMEA community of States as a whole had amounted to 4.7 per cent while the growth of industrial production had equalled 5.3 per cent, illustrated the success of the economic year 1978. The successes achieved in the development of social production had created prerequisites for the implementation

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of the programmes planned for the raising of the population's material and cultural standard of living. The increase of 12 per cent in trade among State members of CMEA reflected their expanding co-operation. Co-operation in foreign trade was concentrated on the development and implementation of long-term co-operation programmes in the fields of energy, fuels and raw materials, agriculture and food industry, on the development of those engineering branches which provided the basis for qualitative restructuring of the economy and on the co-ordination of national economic plans. The main objective of the measures contained in the long-term target programmes was to provide for the CMEA countries' needs in those fields on the basis of continued development of all-round co-operation, especially production co-operation and specialization, and the application of the latest scientific and technological results.

8. The members of CMEA were also actively developing their economic, scientific technological co-operation with the developing countries. Czechoslovakia's relations with those countries were based on the principles of sovereignty, equality and mutual advantage. His country was providing assistance to developing countries in building up their independent economies and in industrialization. It did so primarily within the framework of economic co-operation on a long-term basis. Czechoslovakia supported the just demands of the developing countries for the establishment of a new international economic order.

9. Czechoslovakia now maintained economic contacts with over 100 developing countries, having concluded with them over 70 agreements on economic co-operation, exchange of goods and payments. It had also signed agreements on scientific and technological co-operation with 35 countries. In recent years, important changes had taken place in the commodity structure of Czechoslovakia's exports so that it was now in keeping with the needs of the developing countries. Sixty per cent of total exports to developing countries was in machinery, equipment and investment units. Dozens of factories had been built in Asia, Africa and Latin America, thus increasing the industrial potential of the developing countries. Favourable results had also been achieved in the import of finished and semi-finished products.

10. His country's foreign trade turnover with advanced capitalist countries had been increasing from year to year. Much attention had been devoted to agreements on industrial co-operation as a progressive form of co-operation and trade. One of the main obstacles to the development of equitable and mutually advantageous economic relations was the number of discriminatory measures applied by the advanced capitalist States and their groupings.

11. With regard to the Economic Commission for Europe, of which Czechoslovakia was a member, he wished to recall the Soviet proposal, adopted at the thirty-fourth session of ECE, to convene a European congress on environmental co-operation. His delegation was convinced that the convening of such a congress would be an important step toward the implementation of the provisions of the Final Act of the Conference on Security and Co-operation in Europe, which had been a positive example of States' tackling important political and other problems. The convening of two more congresses, to deal with co-operation in the fields of energy and

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transport, would contribute to stepping up the process of international détente and to strengthening confidence, mutual understanding and co-operation among States in Europe as well as in other parts of the world.

12. The results of the sixth and seventh special sessions of the General Assembly should be more broadly applied in the creation of a new international economic system. The principles of the Charter of Economic Rights and Duties of States and of the Declaration on the Establishment of a New International Economic Order created tangible prerequisites for fundamental changes in international economic relations and should significantly contribute to the improvement of the world economic situation. His country had always supported such demands of States as those for sovereignty and equality, the right of each country to a free choice of its economic system, the right of each country to exercise constant sovereignty over its natural resources, including the right to nationalize them, and the right to control transnational corporations.

13. The past sessions of the Preparatory Committee for the New International Development Strategy had fully demonstrated the wide scale and variety of views held by States on the elaboration of the new Strategy for the 1980s. The new Strategy should be based on the instruments so far adopted on that subject and should safeguard the basic and long-term interests of the broad population strata in the developing countries. It should identify specific tasks in the fields of planning, industrialization, agricultural development and progressive social and economic reforms. In particular, it should express the importance of the role played by the public sector in economic development and of a unified approach to the planning of economic and social development, the elimination of outdated forms of land ownership, the exercise of sovereignty over natural resources and the training of qualified personnel. A strong public sector was a basic prerequisite for facilitating the participation of foreign capital in a country's development in a suitable form and without risk of threatening or encroaching on the national interests and socio-economic objectives of the country.

14. The purpose of the new International Economic Order and the new Development Strategy should be to neutralize the negative impact of the economic laws of the present international economic system, which favoured the stronger and more mobile participants in international relations - in other words, the advanced capitalist countries. The basic content and purpose of the restructuring of international economic relations should be the creation of a new international division of labour that would involve the entire process of production. The higher mobilization of internal resources could not be dependent upon the market mechanism. External aid should facilitate and complement the development of a broader utilization of internal resources. All forms of colonial and neo-colonial exploitation of the developing countries, in particular those practised by transnational corporations, should be eliminated. The new Strategy should also include ideas on the establishment of a Common Fund and on the stabilization of raw materials markets. Broader aspects of economic development and international

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political conditions, especially the question of securing of peace, détente and disarmament, must be included in the over-all approach to the Development Strategy. The results of the special session of the General Assembly devoted to disarmament and the experience gained from United Nations studies and reports on the interrelations between armaments, disarmament and economic development should be more fully reflected in the new development strategy.

15. He wished to stress the importance of the subitem on the results of the negotiations of the Committee of the Whole. The socialist countries had participated constructively in those negotiations. Even though progress had not been achieved, experience showed that the establishment of new United Nations bodies or procedures would not solve the economic problems of developing countries. The answer would be rather to make more effective use of existing bodies in such a way as to fulfil the principles of the new international economic order.

16. He also wished to stress the importance of a unified approach to development analysis and planning. Lastly his delegation attached great importance to research into long-term trends in the economic development of world regions. He hoped that the issues he had mentioned would be given adequate attention by the Committee and that the experience of socialist countries in those fields would be taken into account.

17. Referring to item 124, his delegation welcomed the national liberation in Nicaragua and fully supported the endeavours of its people for national reconstruction.

18. He wished to stress his Government's readiness to continue to develop economic co-operation with all countries regardless of their social systems, and with the developing countries in particular, with a view to contributing actively to the strengthening of their economic independence and the development of their national economies.

19. Mr. KLESTIL (Austria) said that the Committee was called upon to take decisions which would have a major bearing on the future course of the North-South dialogue. His delegation attached the utmost importance to that dialogue, as it strongly believed that there was no valid alternative to international co-operation for development. The international community had reached a crucial stage in its endeavours to establish a new international economic order and was confronted with tremendous problems resulting, in particular, from the imbalances in the world economy. It faced not only cyclical but fundamental structural problems, the solution of which called for a new vision reaching well beyond short-term considerations of national interest.

20. His delegation had therefore been encouraged by the initiative of the developing countries in launching a new round of global negotiations relating to international economic co-operation for development and had noted with satisfaction that such negotiations would take place within the United Nations, and with the full participation of all States; if carefully prepared, they could give an

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urgently needed impetus to the North-South dialogue. Since the 1980 special session of the General Assembly on development and international economic co-operation, in addition to adopting the new International Development Strategy, it was also intended to launch the negotiations; extraordinary efforts would be required if work on the new Strategy was to be successfully completed. His delegation was concerned at the slow pace of the preparations, being deeply convinced of the need for the Strategy as an expression of the international community's willingness to co-operate in the solution of global development problems. It hoped that the further preparatory work would proceed swiftly and would give the necessary scope and guidance to future international co-operation.

21. The last session of the Preparatory Committee had demonstrated the will of all States to work towards the formulation of a meaningful, action-oriented text. However, if the main objectives of the Strategy were to be attained, particular emphasis would have to be placed on industrialization, the transfer of resources, technology and energy. The importance of industrialization for over-all development had long been recognized and had been underlined by the recent agreement on a new constitution for UNIDO. His Government had already signed that constitution and hoped that meaningful progress in the field of industrialization would be achieved at the Third General Conference of UNIDO, to which it hoped the General Assembly would give the necessary guidance.

22. If real progress was to be made in all fields of international economic co-operation, a significantly increased transfer of resources to the developing countries would be necessary and should be accompanied by structural adjustment measures. In that context, his delegation had repeatedly called for a comprehensive programme for financing specific projects in the field of infrastructure which, like the Marshall Plan, could have a stimulating effect on the world economy and could assist in overcoming the current economic crisis; furthermore, it could be of special assistance to the poorer and least developed among the developing countries. In view of the volume of such a programme, combined international action within an appropriate multilateral framework would be indispensable. His delegation was pleased that its views on that subject were being increasingly shared by others.

23. The fundamental role assumed by science and technology in the field of North-South co-operation had been impressively demonstrated by the United Nations Conference on Science and Technology for Development, the success of which seemed all the more important as it had been preceded by a number of gatherings which had produced rather disappointing results. His delegation looked forward to discussion of the report of the Conference and hoped that it would take place in an atmosphere of co-operation. It also hoped that the Vienna Programme of Action, and especially the institutional and financial arrangements contained therein, would be fully implemented in due course in a manner conducive to the attainment of the Programme's objectives. His Government had already taken the necessary measures to contribute its share to the proposed Interim Fund.

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24. The issue of energy was of fundamental importance to the world economy, and there was a growing awareness that no easy solution to the problem was in sight. His delegation therefore welcomed the call for closer international co-operation in that field and had been particularly interested in the specific proposals for a global energy programme made by the President of Mexico in his address to the General Assembly. There could be no doubt that there was an urgent need for a strengthened international framework for the solution of the energy problem, and the United Nations was a most suitable forum for dealing with it at the global level.

25. It was becoming increasingly clear that alternatives to the use of non-renewable sources of energy would have to be found and, in that context, his Government attached particular significance to the convening in 1981 of a United Nations Conference on New and Renewable Sources of Energy. His Government had decided to invite the United Nations to convene the Conference in Vienna and hoped that the invitation would receive the support of all Member States.

26. In conclusion, he emphasized his delegation's readiness to contribute actively and constructively to the work of the Committee, in the firm belief that it was only through strengthened international co-operation that the challenge of development could be met and the foundations for a more peaceful and more human world be laid.

27. Miss MENON (Singapore) said it was sad to see that the Second Development Decade was ending on a note of disappointment and gloom. Global growth rates were less than adequate; inflation was rampant; development needs were not satisfied; many developed countries were giving priority to national rather than global issues. Although the primary responsibility for development rested with individual developing countries, many of them would be unable to achieve economic and social progress without the support and co-operation of the developed countries. The North-South dialogue had not produced satisfactory results for the developing countries and, although there were signs that the international community was moving away from confrontation and towards serious consideration of issues, progress had been painfully slow. There was an increasing sense of frustration in the third world as the developing countries tried to cope with mounting unemployment and underemployment, runaway inflation, urban problems and expanding debt service, in addition to hunger and starvation. The solution to those problems required a more equal distribution of wealth, as much between the North and the South as between the rich and the poor in each society.

28. Although there were no easy solutions to the problems of development, a few developing countries had been able to do well and were demonstrating a capacity to compete successfully with the advanced nations. It was now being recognized that economic growth in the past decade had been fastest in developing countries which had a free economy, allowing for a free flow of foreign capital and technology. In virtually all those countries, industry in general and manufacturing in particular had been the most dynamic sectors. Those developing countries had emphasized outward-looking growth policies as a means of promoting rapid industrialization. A commitment to industrialization did not mean concentration on import-substitution policies. The experiences of a number of developing

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countries, such as Brazil in the 1960s, showed the drawbacks of such a policy. Brazil's change in policy in 1964 towards more export-oriented industrialization had not only secured a significant increase in exports but also promoted the growth of employment. According to the World Bank's World Development Report for 1979, the countries in which production for export had expanded more quickly than production for the domestic market had generally enjoyed the fastest rates of over-all growth. Those countries had succeeded in industrialization by creating a disciplined, educated and skilled labour force; in addition, they had adopted liberal trade and payments policies, fiscal incentives and direct assistance to production for exports, and fairly tight fiscal and monetary policies to enhance competitiveness and increase the pressure to sell abroad. In addition, in most cases, the growth of private consumption had lagged behind that of output, making room for a rising share of productive investment in the gross national product.

29. The role of foreign capital had been very important in most of those countries, which had maintained an open-door policy towards foreign investors, to whom they had offered fiscal and other incentives. The multinational corporations had played an important role. It was admitted that the principal goal of the multinational corporations was maximization of profits and that they needed situations of stability, with known rules. However, once assured of profits, they helped to bring in new technology, skills and established world markets which poor countries, given the need to operate in a global economy, would take years to acquire. The negative aspects of the multinational corporations were few compared to the benefits they brought and, when properly regulated, they could make a positive contribution to growth in the developing countries. She suggested that, in the drafting of the new International Development Strategy, consideration might be given to ways and means of improving the capability of developing countries to make maximum use of the multinational corporations for their own betterment.

30. The countries in which growth rates had been the highest had also registered a reduced rate of population growth. According to the World Bank, between 1960 and 1977 the crude birth rate had dropped by more than 30 per cent in a number of developing countries in East Asia, as well as in some developing countries in the Caribbean and parts of Latin America. In the rest of the developing world, fertility had either remained constant or shown only a modest decline and population growth rates of well over 2 per cent could be expected during the remainder of the twentieth century. Most of the countries experiencing significant declines in crude birth rates had adopted public programmes in the 1960s to reduce fertility.

31. Above all, the countries whose performance had far surpassed expectations had shown the ability to adjust to changing external conditions. They had realized that their continued growth was crucially dependent on their capacity to export, and thus on the ability to earn foreign exchange. As their traditional exports - clothing, textiles and footwear - had been subject to increasing protectionism, they were shifting into more capital-intensive and high-technology lines of production. With their skilled labour force and the rise in real wages, it was no longer economic for them to continue producing labour-intensive exports and they

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had, therefore, also responded to structural changes within their own economies. Singapore was one of the countries making such a shift in industrial policy.

32. Sustained growth in those developing countries presupposed a favourable international economic environment, and in particular a healthy and expanding world trading system. According to figures produced by the World Bank, from 1973 to 1977 the annual rate of growth in world trade had fallen to less than half the 9 per cent recorded between 1965 and 1973. The annual growth rate of developing countries' exports had recorded comparable set-backs, declining from 6.4 per cent to 3.6 per cent, largely because of slower growth in industrialized countries and increased protectionism, especially against manufactures. Her delegation believed that the problem of protectionism would persist as long as the developed countries and, in particular, their trade unions sought to obtain short-term benefits at the expense of long-term advantages for themselves and for the world economy.

33. All nations had the responsibility to ensure a buoyant world economy and a healthy trading environment. In that respect, she pointed out that, according to World Bank figures, the centrally planned economies bought only 6 per cent of the manufactured exports of developing countries. It was unfortunate that some countries had tended to regard economic development as a process in which the gains of one group of nations might be the losses of another, rather than positive contributions to the well-being of all nations. So long as those attitudes persisted and external conditions were not encouraging, even the most Herculean efforts on the part of the developing countries would be frustrated.

34. Mr. LIPATOV (Ukrainian Soviet Socialist Republic) said it had become evident from the events which had occurred in the economic activities of the international community during the current year that there had been an aggravation of the crisis affecting the entire system of the capitalist economy. The many millions of unemployed, insuperable inflation, dislocation of the monetary and financial systems, the pronounced trend towards protectionism in international trade and the deepening of chronic trade deficits and deficits in the balance of payments were by no means all the economic ills affecting the capitalist countries. Very recently, an increasingly unstable economic situation had been exacerbated by the onset of a severe energy and oil crisis. Once again it had been shown that efforts to control the capitalist economy through actions by Governments and monopolies were in vain. The experience of many years indicated that a short-lived alleviation was followed by a new and still more acute decline. Such crises were inherent in capitalism and had their origins in the nature in the capitalist mode of production. Any attempts to obscure the real reasons for the crisis or to deflect responsibility from those who were truly responsible for it were doomed to failure.

35. The developed capitalist countries had shown a remarkable capacity to shift the heavy burden imposed by the crisis to the economies of the developing countries. By manipulating international trade the West had ensured the further redistribution of gross output for the benefit of the industrially developed part

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of the capitalist world. As a result, the developing countries were suffering losses to their economies amounting, according to some estimates, to \$50 billion every year. It was for that reason that the aims of the Second United Nations Development Decade remained unfulfilled. The urgent problems facing the new States were not only left unresolved, but were becoming still more acute. Their dependence on the export of raw materials continued, and their role as major importers of food-stuffs and manufactured goods had been still further consolidated. Apart from the question of food-stuffs, the new States also had problems connected with energy and raw materials. They had become still more closely tied to the industrial centres of the West, while their status in the international capitalist division of labour had sharply declined. Monopoly capital was taking advantage of the impoverishment of the developing countries to further enslave them by means of the device of so-called "aid". The external trade deficit, which involved almost \$40 billion in interest payments alone, had attained unprecedented proportions. Great problems had thus arisen for the vast majority of developing countries attempting to fulfil their economic and social objectives, and their national development programmes had been significantly curtailed.

36. The socialist countries had often pointed out that the forces of imperialism constituted the principal obstacle to the economic development of the new States and that the existing world system of economic relations did nothing to eradicate the poverty, hunger, disease, illiteracy and other social evils which prevailed in those States and which had arisen through centuries of domination and exploitation. It had been stressed at the Sixth Conference of Heads of State or Government of Non-Aligned Countries that the economic problems facing the developing countries had become still more urgent and that there was an ever-widening gap between developed and developing countries.

37. Obviously, such a situation could not be allowed to continue. His delegation considered it essential to take resolute action to reconstruct the whole system of international economic relations on a basis of equality and justice by eliminating coercion and subjugation. That was also the view of the overwhelming majority of the States Members of the United Nations. To be specific, it was necessary to end the unequal status of the new States in the world capitalist economy, to eradicate all forms of discrimination and the dominance of the transnational corporations, to renounce protectionism, and to introduce genuine democracy into the norms and institutions governing international trade and the development process.

38. The so-called transnational corporations were playing a particularly unseemly role in the conditions of economic upheaval prevailing in the capitalist economy. Controlling more than one fifth of the means of industrial production, and intercontinental in the scope of their activities, the transnational corporations were to a significant degree responsible for the fact that the basic demands of the Declaration and the Programme of Action on the Establishment of a New International Economic order and the Charter of Economic Rights and Duties of States had not yet achieved practical implementation although five years had elapsed since their adoption. The lack of progress in that field played into the

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hands of the transnational corporations and furnished them with conditions favourable for further expansion in the developing countries.

39. What was missing in the leading States of the capitalist world was the political will to make real progress in solving the urgent problems of economic relations. The policy of monopoly circles had been and continued to be the main obstacle to a radical transformation of international economic relations on a democratic and just basis. Their intention to maintain and intensify the exploitation of the developing countries remained essentially unchanged. It was quite obvious that imperialist circles would not succeed in their attempt to obscure the essentially neo-colonialist and exploitative nature of their policy towards the liberated peoples by means of such concepts as "interdependence", "basic needs" or "global responsibility for development".

40. At a time when the United Nations was working out a new International Development Strategy for the third Development Decade, it was important to take into account the reasons for the failure of previous Strategies in order to ensure that the errors they contained did not recur. In the view of his delegation, the new Strategy should incorporate the progressive provisions of the Declaration and Programme of Action on the Establishment of a New International Economic Order and the Charter of Economic Rights and Duties of States.

41. In contrast to the unappetizing spectacle presented by the world capitalist system, the fraternal socialist countries were successfully resolving the problems of social and economic development. The 30 years of rapid economic growth enjoyed by the States members of CMEA offered convincing proof of the advantages of the social and political system of the socialist countries and the value and effectiveness of their increasing mutual co-operation. The Ukrainian SSR, now commemorating the thirty-fifth anniversary of its liberation from the Fascist German plunderers, was successfully fulfilling its national economic plan.

42. The socialist countries had initiated a collective search for new means of multilateral economic co-operation. The socialist pattern of the international division of labour was being established and consolidated, while socialist economic integration had become an integral part of the life of the socialist community and a powerful and stable factor in the universal progress of the fraternal countries.

43. The Ukrainian SSR was pursuing its policy of co-operation with the developing countries within the framework of the external trade links of the Soviet Union. The purpose of that co-operation was to participate in the construction in developing countries of hundreds of enterprises connected with mining, the processing of metals, energy, engineering, chemicals, oil and other branches of industry. There was also broad co-operation in the development of agriculture. Assistance in the training of national personnel for the developing countries was continuing, and nationals of more than 100 States were at present studying at Ukrainian institutions of higher and secondary education.

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44. In pursuing their policy of comprehensive co-operation with the developing countries, the socialist States were not seeking special advantages for themselves, but rather a universal widening of links with all the countries concerned on the basis of complete equality of rights and mutual benefit. To apply the same criteria to socialist countries and capitalist countries was to disregard the differences in their social and economic systems.

45. His delegation considered it necessary to emphasize once again that the solution of socio-economic development problems was closely linked to the necessity for maintaining peace throughout the world and achieving general and complete disarmament. The arms race was depriving mankind of enormous resources. The amount of approximately \$400 billion which the world spent annually on armaments was 2.5 times higher than expenditure on health and 1.5 times higher than the amount spent on education. More than 50 million people were applying their minds and energies to improving the methods and means of waging war. The transfer of such enormous resources to peaceful purposes would promote the socio-economic progress of all countries, and in particular of the developing countries. The life of all peoples, and a brighter future depended on lasting world peace.

46. Mr. MORSE (Administrator, United Nations Development Programme), introducing the report of the Secretary-General on the implementation of the medium-term and long-term recovery and rehabilitation programme in the Sudano-Sahelian region (A/34/432), said that it supplemented the report of the Secretary-General contained in document DP/394, which, pursuant to General Assembly resolution 33/133, had been submitted to the Governing Council of UNDP at its twenty-sixth session and to the Economic and Social Council at its second regular session of 1979. The two Councils had taken note of the report with satisfaction, and the Economic and Social Council had requested the United Nations Sudano-Sahelian Office (UNSO) to undertake the necessary consultations with the specialized agencies and other organizations and programmes of the United Nations system in order to ensure fully the effectiveness of the system's contribution to the implementation of the Sahel rehabilitation and development programmes and to increase UNSO's capacity to respond adequately to further requests formulated by the States members of the Permanent Inter-State Committee on Drought Control in the Sahel (CILSS).

47. UNSO, which was a component of the Office of the Administrator of UNDP, had been established by the Secretary-General to serve as the focal point and co-ordinating body for activities of the United Nations system relating to the rehabilitation and development of the Sahel. It had been assisting the drought-stricken countries in achieving three main objectives: to mitigate the effects of future droughts; to achieve self-sufficiency in food staples; and to accelerate social and economic development. In carrying out its functions, UNSO maintained close working contacts with the countries concerned and their regional organization, CILSS, with the donor community and with the United Nations system. Those contacts had been most important in facilitating the Office's role in mobilizing resources for the implementation of priority projects in the countries of the region.

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(Mr. Morse, UNDP)

48. A systematic campaign to mobilize resources had been launched in 1975, and the results of that campaign were described in document DP/394. Since 1975, the number of priority projects for which UNSO assistance had been requested had increased from 52, requiring an initial investment of \$153 million, to 108, requiring \$550 million. Towards that total, confirmation had been obtained on the availability of approximately \$300 million in financing from bilateral, multilateral and Trust Fund sources. Of that \$300 million, the United Nations Trust Fund for Sudano-Sahelian Activities had provided approximately \$54 million for 45 of the priority projects, of which 20 had been completed and 25 were being actively implemented. In that connexion, he stressed that UNSO's efforts in resource mobilization should be measured not only by funds provided through the Trust Fund but also by the total amount of resources it had been instrumental in mobilizing from all sources.

49. The resource mobilization efforts had been given a new impetus following the visit of the current Chairman of the CILSS Heads of State Conference, the President of the Gambia, to United Nations Headquarters in September 1978; he had expressed his satisfaction with the results achieved through UNSO's efforts and had conveyed to the Secretary-General the wish of the Governments of the region that the United Nations system should continue its support for their rehabilitation and development programmes through the special collaborative efforts of UNSO. It might be noted that, during the past year, an additional amount of approximately \$10 million had been mobilized through the Trust Fund and immediately utilized for expanding ongoing activities and initiating new ones.

50. The many donors who had contributed generously to UNSO's efforts through the Trust Fund were specifically cited in document DP/394. In addition, many donor countries were engaged bilaterally in rehabilitation and development programmes in the Sahelian region. Many multilateral financial institutions and various bodies of the United Nations had also been actively engaged, through their regular and special programmes, in supporting the rehabilitation and development efforts in the Sahel. In that connexion, the total contribution of the organizations of the United Nations system, including the World Bank, from 1973 to 1978 had exceeded \$900 million.

51. UNSO's working methods had been designed and were employed to facilitate flexibility and speed in responding to the changing needs and priorities emerging from the new set of economic conditions in the Sahelian countries. Special emphasis had been given to strengthening national capabilities and engaging national services in direct implementation of projects under a system of full fiscal accountability. Of the 36 national projects implemented with UNSO financing of approximately \$50 million, 21 were Government-executed or were being carried out by government force account arrangements.

52. In order to fulfil its monitoring responsibility to the contributors to the Trust Fund, UNSO closely followed the implementation of all projects financed from Trust Fund resources. In that connexion, quadripartite evaluations of priority projects financed from the Trust Fund were again scheduled for 1979, in order to

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review and assess project implementation and to identify necessary action for strengthening ongoing activities; major contributors to the Trust Fund had been invited to participate in those evaluations.

53. Since its establishment, UNSO had maintained close working relations with CILSS and was constantly alert to opportunities for strengthening that relationship and rendering it more effective, for the benefit of the Sahelian Governments' programmes. In that connexion, a meeting had been organized on 3 May 1979 with the Minister-Co-ordinator and Executive Secretary of CILSS, at which the two bodies' working relationships had been reviewed and reaffirmed, with appropriate adjustments in the light of their evolving common experience. In addition, the Director of UNSO had reported on UNSO activities to the 11th meeting of the CILSS Council of Ministers in June 1979. At that meeting, the Council had expressed its satisfaction with the results achieved to date and had requested UNSO to continue and intensify its efforts in support of the rehabilitation programme in the Sahel.

54. While the rehabilitation efforts of the countries of the region had been vigorous and were moving toward self-sufficiency in food, many countries were still experiencing intermittent food deficits. At its 11th meeting, the CILSS Council of Ministers had appealed to the international community to assist the Sahelian countries with food aid, particularly in those urgent cases which had been severely affected by irregular rainfall. FAO and the World Food Programme had been actively involved in defining the extent of the need and in co-ordinating the provision of assistance as well as providing aid from their own resources. In that connexion, he informed the Committee that a cable had just been received from the UNDP Resident Representative in Cape Verde, stating that a drought in that country had resulted in complete crop failure. A FAO mission was to assess the country's food aid needs for 1980, and there was an urgent need for seeds and animal feed. UNSO would continue to co-ordinate its efforts closely with FAO and WFP and to work closely and vigorously with CILSS and its member States, in support of their rehabilitation and development efforts.

55. During their regular sessions earlier in the year, the Governing Councils of UNEP and UNDP had addressed the urgent problems of desertification in the Sudano-Sahelian region. General Assembly resolution 33/88 had designated UNSO as the arm of the United Nations to be responsible for assisting, on behalf of UNEP, the countries of the Sudano-Sahelian region in implementing the Plan of Action to Combat Desertification. For that purpose, the resolution had authorized UNSO's organizational enlargement, as a joint UNEP/UNDP venture. The Governing Councils had approved the actions taken with respect to institutional arrangements in the Sudano-Sahelian region and endorsed the modalities of the joint UNEP/UNDP venture, and had authorized the Executive Director of UNEP and the Administrator of UNDP respectively to contribute to UNSO each Programme's share of the administrative and operational costs of the joint venture.

56. Several significant activities had already been undertaken by UNSO in carrying out its anti-desertification functions, including the conduct of planning

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and programming missions to most of the countries of the region and the initiation of resource mobilization efforts, which had thus far brought financing to a major reforestation project in Senegal and an erosion control project in Cape Verde from earmarked contributions to the Fund by the Governments of Ireland and the Netherlands. UNSO had also established working relationships with the United Nations agencies concerned, and effective collaborative arrangements had been agreed upon and were in operation in support of UNSO's efforts in the context of its anti-desertification control mandate. The Office had agreed with the CILSS Minister-Co-ordinator and Executive Secretary on a practical system of collaboration for planning regional activities on reforestation for energy and for combating desertification in the Sahel, and was participating actively in the planning efforts of the CILSS Working Group on Ecology and Forestry. Consultations had also taken place with other regional organizations involved in river and lake basin development. In addition, co-operative arrangements were being developed with OAU and ECA to assure mutual support and co-ordination.

57. Both drought management and desertification control were intertwined with the development process and required the co-ordinated efforts of all the parties concerned at the national, regional and international levels. The task was immense and UNSO, for its part, would continue to make every effort to fulfil its responsibilities with the sense of urgency conveyed to it by the General Assembly.

58. Mr. SID'AHMED (Mauritania) thanked the Administrator of UNDP for his efforts in behalf of the developing countries, particularly those of the Sahelian region. He was also grateful for the information and figures contained in the Secretary-General's report (A/34/432), which showed the increasing attention being given to the problems of the Sahel and the seriousness with which UNSO viewed its functions. His delegation intended, in co-operation with others, to submit a draft resolution at a later stage, and hoped that it would command general support.

The meeting rose at 4.55 p.m.