

SUMMARY RECORD OF THE 11th MEETING

Chairman: Mr. MURGESCU (Romania)

CONTENTS

GENERAL DEBATE (continued)

* This record is subject to correction. Corrections should be incorporated in a copy of the record and should be sent *within one week of the date of publication* to the Chief, Official Records Editing Section, room A-3550.

Corrections will be issued shortly after the end of the session, in a separate fascicle for each Committee.

Distr. GENERAL
A/C.2/34/SR.11
19 October 1979
ENGLISH
ORIGINAL: SPANISH

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

GENERAL DEBATE (continued)

1. Mr. KANTE (Guinea) said that the distinctive features of contemporary international economic relations were inequality, injustice, insecurity and the widening gap between the poor countries and the rich. The developed countries were trying to solve their own difficulties at the expense of the weakest, thus causing a continuous weakening in the relative strength of the developing countries, intensified exporting of inflation from the North to the South, and a rise in the developing countries' external debt, which obliged them increasingly to direct their economies towards exports. All of that was compounded by the presence of transnational corporations, which invariably enjoyed the complicity, tacit or otherwise, of one of the blocs.

2. The deadlock in the North-South dialogue and the UNCTAD debates and the meagre results attained in the renegotiation of the Lomé Convention should convince developing countries that they would have to rely primarily on their own strength and come to agreement on a new development strategy. That strategy should take the form, at the national level, of the appropriation for the people of the main economic levers in each country, the creation of an independent national currency, the nationalization of land in order to make modern agriculture possible, the establishment of a dynamic industrial structure compatible with a physical planning policy, and the involvement of youth and women in the development struggle.

3. The new international economic order should also lead to the establishment of subregional and regional organizations conducive to the integration of the economic structures of States and co-operation in various spheres. In that connexion the Latin American Economic System (SELA) and the Economic Community of West African States were a source of satisfaction. Such institutions needed the support of raw materials producers' associations, such as the Organization of Petroleum Exporting Countries and the International Bauxite Producers' Association.

4. Only when those conditions were met could the developing countries participate as equals in international negotiation forums. Therefore, despite the alarming situation, the international community still had high hopes for the coming special session of the General Assembly and the Third General Conference of UNIDO. With regard to the new international development strategy, his delegation, as a representative of the African continent among the officers of the Preparatory Committee, could report that Africa would continue to work for the adoption of special measures for the poorest regions, in addition to the general measures aimed at lessening the differences between developing and developed countries.

5. His delegation attached great importance to the problem of the environment and would therefore welcome with great interest the draft convention on conservation of nature to be submitted by Zaire. With regard

/...

(Mr. Kante, Guinea)

to the measures planned by the United Nations for the Sudano-Sahelian region, his delegation would give particular attention to any plan of action aimed at ensuring rational management and exploitation of water resources, land, vegetation, grazing land and forests. His delegation was also very much interested in the study prepared by the group of specialists in international financing concerning additional measures and means of financing the Plan of Action to Combat Desertification. In view of the fact that his country served as the water reservoir for West Africa, drought control in the Sahel region should begin with the redevelopment of the Fouta-Djalou basin in Guinea, a subject on which a resolution had been adopted at the sixteenth summit conference of the Organization of African Unity. His delegation welcomed with great satisfaction the establishment of the Common Fund for commodities and the adoption of the Code of Conduct for Limer Conferences.

6. Mr. CHIRILA (Romania) said that the world economic situation continued to worsen, owing to the inability of the international economic system to deal with the requirements of development. Development and disarmament were the two great problems facing mankind; it was impossible to ignore the under-development afflicting the great majority of the population of the world or the growing adverse effects of phenomena caused by the economic and financial crisis and the crisis in raw materials and energy. The situation called for new approaches to bring about, with the political will of all States, the restructuring of the existing international division of labour.

7. However, as had been seen at the fifth session of UNCTAD, negotiations had broken down, mainly owing to the stubborn insistence on the part of some States on maintaining their privileges, even at the cost of aggravating inequality and tension, increasing inflation and protectionism and exacerbating the economic and financial difficulties of developing countries by trying to make them shoulder the consequences of the crisis instead of seeking comprehensive and stable solutions.

8. All of the most pressing problems were to be studied within the framework of international dialogue. That was especially the case with the problem of energy, the solving of which required co-operation in the production and rational consumption of available resources and in the search for new resources and the establishment of an equitable relationship between the prices of fuel and raw materials and those of manufactured goods. In order to eliminate under-development and relations based on the economic dependence created by the historical evolution of the market economy, developing countries would have to redouble their efforts to achieve economic and social emancipation, developed countries would have to provide them with more assistance, and new economic relations based on the concept of a more just new international economic order to which all Member States of the United Nations had agreed, would have to be fostered on a world scale.

9. His country, which had adopted those guidelines for its foreign policy, attached great importance to meticulous preparations for the special session of the General Assembly on the establishment of the new international economic order. It should be remembered that that session would not be successful unless

/...

(Mr. Chirila, Romania)

States showed the necessary political will to assume their responsibilities and reach agreement on practical measures to promote economic and social progress and eliminate inequality.

10. In view of the fact that at the thirty-third session the General Assembly had reached complete agreement on certain substantive matters, the difficulties that had arisen in preparing the new international development strategy were especially disturbing, since they showed that some countries had abandoned concepts and objectives agreed upon earlier and were not prepared to negotiate on practical measures. Without such measures it would not be possible to make substantial practical progress in the coming decade. It was to be hoped that the preparation of the strategy would be brought to a successful conclusion; as his country's President had stated, it should contain a set of long-term objectives extending up to the year 2000. His delegation felt that all States should accept the proposal of the Group of 77 on the organization of global negotiations, which were expected to play a considerable role in the implementation of the provisions of the forthcoming international development strategy and in making progress towards the new international economic order.

11. Outstanding among the international meetings held to study specific aspects of economic co-operation had been the United Nations Conference on Science and Technology for Development, the convening of which had been repeatedly advocated by his delegation; it had led to the recognition of the role which science and technology could play in development. The guidelines agreed on at the Conference should be translated quickly into specific measures, so as to give all States easier access to the benefits of science and technology and to reduce the tremendous inequality still existing in those spheres. Specifically, the work of the intergovernmental committee should get under way, the system of financing should be established and the resources available to the Secretariat should be strengthened.

12. His delegation called upon all States to shoulder the responsibilities stemming from the urgency of problems of under-development and the seriousness of the current world economic situation. That was the only way of making substantial progress for the benefit of all at the current session.

13. Mr. OLZVOY (Mongolia), speaking of the outcome of the Decade which was drawing to a close, referred to the progress made by national liberation movements and the efforts of States to achieve economic independence; he stressed the importance of détente in international relations, which had provided wide scope for co-operation. As matters stood, the most important problem was to eliminate the danger of a nuclear war and to stop the arms race. His delegation therefore welcomed the results of the First Secretary Brezhnev's meeting with President Carter in Vienna and supported the signing of the strategic arms limitation agreements.

14. Nevertheless, there were still forces, such as one major hegemonistic Power in Asia, which were opposed to détente. That Power had done great damage to Viet Nam, Kampuchea and the Lao People's Democratic Republic, among other countries, in violation of the principle of the Charter of Economic Rights and Duties of States that all hegemonism must be eliminated. It was to be hoped that at the current session, the General Assembly would reaffirm its position on the inadmissibility of hegemonism in international relations.

/...

(Mr. Olzvoy, Mongolia)

15. The capitalist world was undergoing a crisis characterized by recession, unemployment and inflation, which it was trying to transfer to the developing countries. Five years after the adoption of the Declaration and Programme of Action on the Establishment of a New International Economic Order, the imperialist Powers were continuing to oppose the implementation of the progressive principles contained in those documents. As was stated in the economic documents approved by the Conference of Heads of State or Government of Non-Aligned Countries held at Havana, the existing international system, which was in contradiction with the true interests of the developing countries, could in no way contribute to eliminating the evils of imperialism, colonialism, neo-colonialism, racism and apartheid.

16. In that context, the struggle against transnational corporations, the instruments of neo-colonialism which were making enormous profits by plundering the developing countries, intervening in their internal affairs and infringing their sovereignty, was of particular importance. Nevertheless, Western countries were defending the corporations' interests and impeding the preparation of a code to regulate their activities. At the fifth session of UNCTAD, the fact that the interests of the Western countries and those of the overwhelming majority of the developing countries were diametrically opposed had emerged clearly. The transformation of international economic relations would be achieved only through the anti-imperialist and anti-monopolist struggle.

17. At the special session to be held in 1980, the General Assembly should propose new practical measures to implement 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; those documents would also have to be borne in mind in the global negotiations which had been proposed. It was important to stress the anti-monopolistic tone of those documents so as to avoid losing ground in the struggle for the establishment of a new international economic order. The new development strategy would have to emphasize the elimination of colonialism, neo-colonialism, racism and apartheid, and measures to reduce international tension and halt the arms race. At the same time, provision should be made for significant reforms in the social and economic fields, such as the introduction of planning at the national level, the strengthening of the public sector and the organization of comprehensive systems for the training of human resources.

18. The Council for Mutual Economic Assistance, during the 30 years of its existence, had displayed great dynamism as a driving force of development. Its member countries currently exhibited high levels of economic and social development. Furthermore, for the first time relations had been established which were based on socialist internationalism, full equality, mutual benefit and active solidarity and were totally free from any element of competition or exploitation. CMEA was also working actively to overcome the disparities in the levels of development of its member countries and was promoting the growth of the least developed among them through the implementation of the principles of socio-economic integration, the maximum mobilization and effective utilization of national resources, and the international division of labour. CMEA likewise attached special importance to its relations with the countries which had recently become independent.

/...

(Mr. Olzvoy, Mongolia)

19. The member countries of CMEA were co-operating at the bilateral and multilateral levels in promoting development. In that context, mention should be made of the construction of industrial and other plants, energy production and the provision of long-term loans on favourable terms. The establishment in Mongolia of a joint organization with the USSR for the development and industrialization of copper could be mentioned as an example of that fruitful co-operation.

20. Mongolia was one of the least industrialized member countries of CMEA and it was receiving considerable technical, material and financial assistance. As a result, its industry had grown considerably in recent years, and the industry, construction and transport sector currently accounted for over 40 per cent of the national product. Significant material and cultural progress had also been made by the population. During the previous 10 years the resources devoted to social security had doubled, the income of the working people had risen 1.7 times and pensions had increased 2.6 times. One in two of the population was receiving some type of education and one in six workers had had higher education or specialized education at the secondary level.

21. With regard to aspects of the function of the public sector which merited more detailed study, his delegation considered that special attention should be paid to those aspects in which its progressive role was prominent, namely, the mobilization of resources, social justice, the increase in the well-being of the population and sovereignty over natural resources. It should be noted that the Conference of Heads of State or Government of Non-Aligned Countries in Havana had stressed the role of the public sector in promoting the economic development of the developing countries.

22. Mr. DAVENPORT (Ireland) said that, despite its unquestionable usefulness, the habitual practice of dividing countries into two categories, developed and developing countries, had its limitations, since the dividing line was not always obvious. Ireland, for example, was classified as a developed country, although its per capita gross national product was lower than that of a number of developing countries. That division meant that not only the problems but also the commitments required to solve them were expressed in general terms which did not always capture the full picture of reality and sometimes blurred the complexity of actual situations.

23. Ireland was neither a wealthy nor a poor country. It had never been a colonial Power and it had shared many of the political and economic problems of the developing countries. Ireland had sought to build up and diversify its economy; it had availed itself of a considerable volume of foreign investment and had also relied on external markets to absorb the products of its industry. As a result, Ireland currently ranked among the 30 most wealthy countries in the world, but serious problems such as inflation and unemployment continued to exist and had been accentuated because of the adverse world economic situation during recent years.

24. Nevertheless, Ireland's growing prosperity and its awareness that its difficulties were not of the same magnitude or nature as those of the developing

(Mr. Davenport, Ireland)

countries had led his Government to create a development co-operation policy aimed at assisting the developing countries. Ireland regarded the poverty, hunger, disease and perennial under-development which afflicted most developing countries as an affront to the international community and therefore sought to increase substantially its official development assistance; in 1979, its basic allocation for official development assistance had been increased by approximately 38 per cent.

25. Nevertheless, assistance in itself was not enough, and what was needed was the promotion of global growth through the effective management of the world economy in which all countries shared a joint responsibility. That should be the basis for the restructuring of international economic relations and the establishment of a new and more just international economic order. It was also the basic purpose of the North-South dialogue, and a purpose which his Government fully supported. In that connexion, his Government was prepared to respond positively to the proposal of the Group of 77 regarding the launching of a new round of global negotiations, on the assumption that agreement could be reached on satisfactory conditions which would ensure the effectiveness of a new phase of the North-South dialogue.

26. Although the establishment of the new international economic order was a process which could only be achieved with time, he considered that progress towards its realization had not so far been sufficiently rapid. What might be construed as an absence of political will on the part of the developed countries arose more from their excessive preoccupation with the difficulties of the undertaking or lack of confidence in their own capacity to effect change. It might also stem from their feeling that the apparently simple cause-and-effect relations sometimes formulated in resolutions might not be quite so straightforward in reality. Nevertheless, although the problems of global development were highly complex, that did not in any way relieve either developed or developing countries of their duty to find solutions to them.

27. The present world economic order was partly the result of random factors such as geographical location, chance discoveries and technical innovations, which had given some countries advantages over others. Subsequently, however, those advantages had been consolidated, frequently as the result of conscious policies, and that had given rise to the present order, with its unequal distribution of income and resources, which favoured the developed countries. Any attempt to tackle the problems afflicting developing countries must be directed towards removing that bias. That involved promoting the productive capacities of developing countries in both the agricultural and the industrial sectors, which in turn implied increased transfers of resources and technology to developing countries and a greater liberalization of trade by the developed countries. In addition, measures to achieve those objectives must be accompanied by greater participation of developing countries in the formulation and implementation of decisions affecting the world economy.

28. Progress had been achieved in all those areas during recent years. These had been, for example, the adoption of the Declaration and the Programme of Action on the Establishment of a New International Economic Order, the setting up of the International Fund for Agricultural Development (IFAD), the adoption

/...

(Mr. Davenport, Ireland)

of the Lima Declaration and Plan of Action, the establishment of the Common Fund, the latest round of Multilateral Trade Negotiations (MTN) and, more recently, the conclusion of the Conference on Science and Technology for Development. In 1975, the European Economic Community (EEC) had concluded the Lomé Convention with African, Caribbean and Pacific countries. That Convention was due to be replaced by a new one which would consolidate the terms of the original Convention and also include some new elements. All those achievements constituted a sound beginning, but the bulk of the work remained to be done.

29. Ireland had at all times fully accepted its responsibilities in the field of international economic co-operation. As a member of EEC, it had supported measures designed to further liberalize international trade and had given its full support to the Community's development co-operation and assistance policies. It had also sought to increase its bilateral development co-operation programme, and its intention was to continue to do so. As a small nation which had only recently attained the status of a developed country, Ireland placed at the disposal of developing countries its experience in agriculture, the promotion of industry, the setting up of State marketing bodies, and so on. Such experience could be of immense practical benefit to developing countries, especially the smaller and least developed amongst them, to which the greater part of Ireland's bilateral co-operation was extended.

30. In any negotiations aimed at finding solutions to the problems of developing countries, it should be borne in mind that the group of developed countries was not a monolith. The international community should maintain such flexibility as to allow each country to make its most effective contribution. Ireland fully accepted that the achievement of rapid progress in the North-South dialogue was the most essential task facing the international community today. It was a task to which all countries must bring a sense of commitment, whether in the context of preparing the new International Development Strategy or in the launching of a new round of global negotiations. Group contributions would constitute a fundamental element of that process, but success would ultimately rest on the contributions of individual nations.

31. Mr. NANDOE (Suriname) said the Director-General for Development and International Economic Co-operation had pointed out that the call for structural changes to end the dependence of developing countries on the economic interests of the industrialized world had not been met. The idea of structural changes was to promote the accelerated development of developing countries on the basis of collective self-reliance. According to the Committee for Development Planning, self-reliance was characterized as a state in which a country had achieved a high, if not an absolute degree of autonomy in decisions affecting its political, social, economic and cultural life. The achievement of that goal would entail an effective bargaining power, particularly in economic matters.

32. However, present reality showed that some developing countries were still dependent on a few export commodities and on certain markets. Ways must be found to encourage those countries in their striving for genuine self-reliance, both individual and collective. In that respect, his delegation welcomed the establishment of multilateral institutions, such as the Latin American Economic System (SELA) and the Association of South-East Asian Nations (ASEAN), aimed at promoting a system of consultation and co-operation to adopt common positions and strategies in the economic and social fields.

/...

(Mr. Mandoe, Suriname)

33. His delegation recognized the problems, such as high unemployment and inflation, which the industrialized countries were facing, but on the other hand the terms of trade of the developing countries, and in particular the non-oil-producing developing countries, were rapidly deteriorating. Their current account deficits were increasing, and their export potential was hampered by protectionism. The industrialized countries must curb protectionism and ease market access for imports from developing countries. In the long term, the industrialized countries stood to gain from cheap imports and the rapid expansion of major markets for their exports.

34. Another important issue was the expected rapid urban growth in many developing countries, as a result of natural growth of the population and the industrialization process. It was therefore of vital importance that plans should be designed by the appropriate bodies to tackle related problems such as allocation of urban land, transport, shelter, water, sewerage and other services.

35. While most developing countries were not major users of energy for industrial purposes, the impact on them of the increase in energy costs had been disproportionately high and the financial stability of some of those countries was threatened. There were, however, two new developments which could lead to a break-through in the existing stalemate. The first was the proposal made by the Group of 77 for the launching, within the United Nations, of a round of global negotiations on international co-operation, which would include the issue of energy. The second was the proposal by the President of Mexico for the adoption of a world energy plan. His delegation hoped that the working group proposed by President López Portillo would be established as soon as possible in order to start the negotiations aimed at the adoption of the world energy plan. It must be stressed, however, that the co-operation of all interested parties was essential, and such co-operation had not been forthcoming in the past.

36. With regard to the new International Development Strategy, there seemed to be substantial agreement on many general principles but there was no unanimity on all aspects and elements of a strategy. In that respect, his delegation considered that the Strategy for the 1980s should not be limited to merely formulating broad goals and objectives, but should also identify concrete means for implementation.

37. His Government appealed to all Member States to give very special attention to the recent resolution of the Economic Commission for Latin America urging Governments, international financial organizations and the United Nations system to lend financial and technical assistance to help Nicaragua in its rehabilitation, reconstruction and development.

38. At present, the general problems of development formed a central part of the complicated issues facing the world community. However, in tackling the over-all issues, it must be taken into account that, among the developing countries, there were differentiations in stages of development, capacities of production, raw materials, mineral resources, skilled labour, and so on.

39. Mr. ZWAYNE (Syrian Arab Republic) said that the gap between the developed world and the developing world continued to widen, despite the efforts made by the developing countries, particularly at the sixth and seventh special sessions

(Mr. Zwayne, Syrian Arab Republic)

of the General Assembly, the Paris Conference, the fifth session of UNCTAD and the Conference on Science and Technology for Development, to promote the establishment of the new international economic order. Some advanced industrial countries continue to cling to the outdated mentality of colonialism and neo-colonialism, a mentality devoid of justice and equality. His country fervently hoped the United Nations would find a way out of those dilemmas and manoeuvres, and called on the States that had been liberated from colonialism and neo-colonialism to join ranks and promote co-operation among themselves so as to eliminate all residues of colonialist occupation and effect a fundamental change in the present structure of economic relations.

40. The Syrian Arab Republic was seeking to develop its economy, in spite of the occupation of part of its territory and the constant threat of the Zionist racist régime. The industrial, commercial and tourist installations of the Syrian Arab Republic had repeatedly come under the raids of the army of the Zionist régime. Since 1948, the coastal railroad line linking Syria and Lebanon with Egypt, via Palestine, had been inoperative, and a vital artery for the economies of the Arab countries had thereby been cut off. Furthermore, the occupation had blocked the maritime outlets of the coast of Palestine. The occupation of the entire territory of Palestine, the purchase of land under duress, the expropriation of land and the expulsion of the inhabitants from their homes had aggravated the economic crisis of the Syrian Arab Republic. That country had received hundreds of thousands of Palestinian refugees, and, in addition, some of its citizens living in the Golan region had also become refugees. That tragic situation had aggravated the economic crisis and hampered development programmes for many years.

41. His delegation reaffirmed its support of the right of the Arab States and the peoples whose territories were under occupation to regain full control over their natural resources and economic activities and to recover their assets and receive full compensation for the exploitation, loss or depletion to which their resources, natural or otherwise, had been subjected.

42. He reaffirmed the need for the international community to make an earnest effort to overcome the obstacles hindering the development of the developing countries. It was essential that the advanced and rich countries should alleviate the debt burdens of the developing countries and, in that connexion, recognition should be given to the measures which some States had taken to tackle that problem, in the interest of the developing countries. Little time was left before the 1980 special session of the General Assembly. All must co-operate in order to resolve the problems connected with energy, inflation, the transfer of technology and industry. The international community must act before time ran out and must devote more thought and action to helping the United Nations in the successful fulfilment of its role in dealing with the problems of the world economy.

43. Mr. ALAQUI (Morocco) said that the situation of the developing countries was alarming and that their external debts amounted to some \$300,000 million. Inflation, protectionism, price fluctuation in international trade and unemployment were phenomena which mankind had not managed to control and the harshest effects of which were felt in the developing countries. The participation of those countries in international trade was constantly diminishing. The Strategy for the Second

/...

(Mr. Alaoui, Morocco)

Development Decade had proved abortive, and world economic problems were becoming daily more numerous and complex. It had been established that to many countries the concept of interdependence was not yet clear. While many believed that it meant maintaining the philosophy of the post-war period, in the cases of the developing countries, interdependence involved the introduction of modern, dynamic and productive values. The non-aligned countries' initiative in favour of embarking on world negotiations would provide an opportunity to promote international economic changes.

44. Regional and subregional co-operation, especially between developing countries, was an essential factor for the establishment of the new international economic order. For that reason, the African countries had held various meetings, under the auspices of the Organization of African Unity and the Economic Commission for Africa, with a view to formulating a concept of development that accorded with the economic and social situation of the continent. ECA, in particular, had begun to transform its subregional offices into multinational centres for the programming of subjects suitable for co-operation among the countries of the region.

45. Within that framework, His Majesty King Hassan II had sent a letter to the current Chairman of OAU, proposing that the Sahara should be turned into a geographical zone for co-operation. The Sahara was a region where there were many countries whose economic structures were perfectly complementary. The known resources included iron, petroleum, gas and phosphates. The Sahara bordered on the Atlantic Ocean, which provided the nearest sea route for various land-locked countries, including Mali, Niger and Chad. Furthermore, at a time when the Sahelian countries were suffering drought and malnutrition, Morocco was offering its maritime economic zone for conversion into a zone for joint exploration and exploitation. The zone's considerable fishery resources could swiftly solve the food problem and would offer immense possibilities for food provision in the future. The region's phosphates would not only be exportable but could create a foundation for the development of the chemicals industry and, at the same time, provide the fertilizers needed for agriculture in the region. The Sahara also had many energy resources, because of its petroleum and gas and its solar energy prospects. Those potential capacities and the existence of iron deposits were an encouragement for investment to promote the industrial development of the zone.

46. Morocco, which was thus offering the land-locked States the possibility of access to the sea, proposed that all should unite their efforts so that development might replace desertification and desolation and so that interdependence between the African countries might replace the old system of relations deriving from colonization. Such co-operation would not be limited to the coastal States; the Saharan zone would be a model for co-operation and a meeting-point for the Arab-African horizontal dimension and the North-South vertical dimension in the financial and technological spheres. Effective utilization of the economic complementarities would strengthen the collective self-sufficiency of the continent and, consequently, of all the developing countries. The joint exploitation of the wealth of the Sahara could not fail to transform the economic relations between the States of the region and would contribute to the establishment of the new international economic order.

/...

(Mr. Alaoui, Morocco)

47. Morocco reaffirmed its solidarity with the Group of 77 and reiterated that the United Nations was the most suitable framework for world negotiations in which all States were represented on an equal footing. Accordingly, it was extremely dissatisfied at the lack of progress made in the preparations for the strategy for the third development decade and the fact that, when there were only three months left before the Third Conference of UNIDO, the Plenary Committee had not yet completed its preparatory work. In general, multilateral negotiations were embarked on in a spirit conducive to nothing but stagnation, since, instead of seeking joint solutions to common problems, the deliberations were conducted on the basis of the relative positions of strength of developed and developing countries.

48. The successive failures of international negotiations during the current year merely reflected the lack of political will and understanding of the developed countries in face of the evolution of the course of history. If those countries stuck to their intransigent position, that would present a great hazard to world peace. Morocco therefore called upon the developed countries to ensure that understanding, brotherhood and progress triumphed over immobility and short-sightedness.

49. Mr. ROS (Argentina) said that the world economic crisis which had begun in 1973-1974 had put a brake on the significant and sustained growth achieved since the Second World War and had aroused doubts about the quasi-inevitable character of economic and technological progress. After a brief period of insufficient recovery, the situation was again taking a turn for the worse. Price fluctuations and energy supply levels were accompanied by the partial breakdown of an international monetary system based on obsolete parameters, and the world was witnessing the end of an economic system that had enabled the developed countries to achieve unprecedented continuous growth based, inter alia, on cheap energy and the use of the dollar as an international currency. As the President of Mexico had pointed out, the world was at a watershed between two human epochs, and an orderly, progressive and just transition from one to the other must be ensured.

50. There was an ever-increasing consensus of opinion that, if a world-wide recession as serious as that of 1930 was to be avoided, it was essential to establish a new international economic order based on a fundamental restructuring of international economic relations, which would provide for the accelerated growth of the developing countries, the reduction of current disparities between developed and developing countries, the conservation of non-renewable resources and appropriate modification of consumer patterns, particularly those of the developed countries. That necessity was being recognized on an increasing scale, even by the heads of private enterprise in the market economy countries. At the same time, less and less adverse comments were being heard on the Declaration and the Programme of Action on the Establishment of a New International Economic Order. It was, therefore, regrettable, that resistance to its implementation on the part of many developed countries did not seem to be diminishing.

51. Also to be heard were arguments which sought to divert attention from the structural changes necessary at the international level and which made improper use of the reality of poverty by delving into internal affairs of developing countries

/...

(Mr. Ros, Argentina)

and overlooking the fact that diverting attention from the central issue might lead to a situation in which the world economy could not even satisfy the basic needs of the developed countries, where poverty was not, after all, unknown at the present time. For those reasons, his delegation would emphasize once again that the developing countries had clearly and firmly rejected the so-called "basic needs" strategy. Recently, the Ministers for Foreign Affairs of the Group of 77 had again declared that attempts by the developed countries to introduce into the discussions on the new international economic order such concepts as "access to supplies", "differentiation", "graduation", and "selectivity" not only distorted the concept of co-operation but sought to draw attention away from the real problems and to distort the national priorities of developing countries.

52. The establishment of a new international economic order was not a response to some arbitrary desire on the part of the developing countries to subvert the inadequate existing order for ideological reasons. Most of the components of the new order favoured by the developing countries could not even be said to involve any radical innovations. What the principles of the new international economic order ultimately amounted to was that every State should recognize that it must do to others as it would have others do to it. Unless that principle was put into practice, the apparent interdependence of the economies of all countries would not be genuine. If authentic interdependence was to be made possible, it was essential to eliminate those factors that stood in the way of genuine equality of opportunity among nations.

53. There was certainly nothing new in the principle of the full and permanent sovereignty of States over their national resources and over economic activities within their territories. The developed countries had always applied it for themselves and had even extended it to territories under colonial subjection. Nor was there anything new in the aspiration of the developing countries to obtain remunerative prices for the products they exported to markets traditionally dominated by adverse economic forces. The industrialized countries had sought and obtained the same thing for their export goods, chiefly manufactures.

54. Nor was it an innovation for the developing countries to want their exports not to be subjected to unfair protectionist measures. It was precisely the industrialized countries that had always maintained the principle of free trade and argued against protectionism. Yet those were the countries that erected barriers of every kind against the exports of developing countries. No longer were they the traditional tariff and non-tariff barriers; other forms had appeared, involving new devices, such as reference prices, voluntary restrictions and "orderly" or "organized" marketing agreements, applied by surprise and with no opportunity for equitable negotiations. Such measures were designed to create a new de facto conceptual framework for defending supposedly legitimate interests of the developed countries. His delegation once again drew attention to the unfairness of protectionist trends and reaffirmed its belief that they should be replaced by industrial redeployment in the developed countries, with the full participation of the developing countries.

/...

(Mr. Ros, Argentina)

55. Again, there was nothing new in asking of the developed countries the same freedom they themselves had always wanted for their capital investments abroad. Even many market-economy developing countries had welcomed foreign investment in their territories because they felt that, with proper precautions, it was beneficial to their economies. Lastly, there was nothing new in claiming that the structure and management of the international monetary system should reflect the growing importance acquired in recent years by the developing countries. Recognition of that importance would be the logical consequence of the kind of reciprocity which the industrialized countries had accorded each other.

56. The structural changes which the developing countries intended to bring about were aimed at the establishment of more just and democratic international relations. If the developed countries which still opposed democratization did not desist from that attitude, and if no agreement was reached on orderly and harmonious change, the transformations would be violent and destructive and all the symptoms of disorder already beginning to show would be intensified.

57. In order to find solutions that would permit the restructuring of the world economy, agreements between the major developed countries were not enough, because the developing world had acquired an importance and an influence that could no longer be disregarded. In that respect, an auspicious climate had prevailed at the last session of the Preparatory Committee for the New International Development Strategy, whose work was very closely related to the global negotiations on international economic co-operation proposed by the Group of 77. His delegation considered that a date should be fixed for the forthcoming Special Session of the General Assembly, bearing in mind the time needed for the prior drafting and negotiation of the Strategy, so that the Strategy could be adopted by the Assembly.

58. Argentina believed that, as stated in the declaration of the Ministers for Foreign Affairs of the Group of 77, the global negotiations should be action-oriented and based on an integrated and simultaneous approach to the main issues in the fields of energy, raw materials, trade, development, and monetary and financial matters. A very welcome indication of willingness to negotiate had been given by the Secretary of State of the United States when he had said that his country would participate in the Committee of the Whole with a view to determining the most effective way of holding the proposed negotiations.

59. Mr. MILLS (Jamaica) stressed the importance of the current session of the General Assembly, which was being held at the end of a decade in which little progress had been achieved in the negotiations on the new international economic order and which was to be followed in a few months by a special session concerned with the state of implementation of that new order, when it was expected that the International Development Strategy would be adopted and a new round of global negotiations on international economic issues would be inaugurated.

60. Unfortunately, there was little cause for optimism. In the past few years, the developed countries had for the most part responded negatively to the many constructive proposals put forward by developing countries to eliminate

/...

(Mr. Mills, Jamaica)

the deficiencies and inequities in the international economic system and in the relationships between developing and industrialized countries. By using the language of the developing countries spokesmen of the developed countries had sometimes given the false impression that substantial possibilities of agreement existed. However, the outcome of the fifth session of UNCTAD and of the recent meeting of the Committee of the Whole, and the stalemate in the preparation of the Strategy, should have dispelled that impression.

61. The developing countries were aware of the difficult world economic situation, but they could not accept a further delay in the establishment of just and equitable international economic relations, which in any event would be the only way to revive the economic system and promote stable growth. A number of industrialized countries had carried out investigations which showed that increased imports of manufactured goods from developing countries would have an over-all positive effect on the industrialized economies, but unfortunately such objective conclusions had not affected the position of the developed countries at the negotiating table.

62. The results of the work of the Committee of the Whole were not what had been expected at the time of its establishment, when it had been seen as a more effective mechanism for dealing with the various elements of the negotiations on the new international economic order. However, like other negotiating forums, it had encountered major obstacles.

63. His delegation believed that the new round of global negotiations must be designed to facilitate a break-through in the North-South dialogue. However, the mandate of that new system must be clearly stated and a distinction must be made between its functions and those of other mechanisms for discussion and negotiation on economic issues. Such practical aspects as the availability of United Nations Secretariat services must also be borne in mind.

64. His delegation regretted that progress in implementing the proposals for restructuring the economic and social sectors of the United Nations had been so slow, and it looked forward to receiving the Secretary-General's report on the matter. A major element in the restructuring exercise was the streamlining of the work of the Economic and Social Council, whose workings had powerful repercussions throughout the system.

65. On the question of energy, Jamaica had always considered that the international community must find the means of coming to grips with the crucial issues surrounding that subject, with due regard for the different interests involved. As the Deputy Prime Minister and Minister for Foreign Affairs of Jamaica had said in the general debate, failure to achieve a coherent world energy policy would make a mockery of all efforts to reduce levels of poverty, hunger and unemployment.

66. Finally, his delegation urged the Committee to give its full support to proposals for assistance to Nicaragua, the Dominican Republic and Dominica - countries which had suffered severe damage as the result of both natural and man-made disasters.

/ ...

67. Mr. KOLEV (Bulgaria) noted the close interrelationship between development and restructuring of international economic relations and the strengthening of peace, international security and co-operation among nations. Efforts aimed at complementing détente in the political field with détente in the military field, halting the arms race and promoting disarmament were now of prime importance. His country, together with the other socialist countries, was actively engaged in the implementation of the broad programme adopted at the 1978 Meeting of the Warsaw Treaty Organization in Moscow and further elaborated at the recent meeting of Ministers for Foreign Affairs in Budapest.

68. Bulgaria's position on those issues was well known and had been expressed on various occasions in the United Nations and other international forums, as well as in the joint documents and statements of the socialist countries. In that regard, document TD/249, submitted at the fifth session of UNCTAD, merited special mention. On 27 April 1979, the First Secretary of the Central Committee of the Bulgarian Communist Party and President of the State Council had unequivocally reaffirmed Bulgaria's position of support for the striving of the developing countries to achieve complete control of their natural resources and to develop their production forces and national culture. He had also expressed Bulgaria's support for the demands of the developing countries for a restructuring of international economic relations on a just and democratic basis.

69. Bulgaria shared the disappointment of the developing countries at the lack of real progress in the establishment of a new international economic order and agreed with the assessment made in that regard in the September Declaration of the Ministers for Foreign Affairs of the Group of 77. There were serious grounds for the developing countries to be concerned about the continuing deterioration in the world economic situation resulting from the profound crisis affecting the market-economy countries. That crisis had a harmful impact on the economies of the developing countries, many of which remained included in the mechanism of the capitalist economy. As a result of that dependence, internal imbalances in their economies were increasing, production growth rates were declining and hunger, poverty and unemployment were spreading. The situation was aggravated by the continuous plunder and exploitation of developing countries by the transnational corporations, whose destabilizing impact on the capitalist world economy had become evident. The protectionist measures taken by some Western countries were the source of additional difficulties and complications, especially in the foreign economic relations of developing countries.

70. His country was convinced that those structural problems required economic co-operation on an equitable and mutually beneficial basis. In that regard, he emphasized the significance 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. Those instruments should serve as the basis for the elaboration of the new International Development Strategy, the preparations for the 1980 special session of the General Assembly and further United Nations activity in the field of international economic relations.

71. A practical expression of Bulgaria's convictions had been the symposium organized in September on energy and fuel conservation and new sources of energy,

/...

(Mr. Kolev, Bulgaria)

which had been attended by representatives of 36 large companies from various countries. Bulgaria had also organized, jointly with UNIDO, a very successful international seminar on the problems of co-operation in industrial production between socialist and developing countries.

72. In its three decades of existence the Council for Mutual Economic Assistance had contributed to the establishment of a new type of international relations based on equality of rights, mutual assistance, a planned economy and unity of the individual and collective interests of its members. Bulgaria, which had started its economic development after the Second World War, had attained the standard of the countries with modern agriculture and rapidly advancing industry as a result of the mobilization of all domestic resources and the fraternal co-operation of the Soviet Union and the other socialist countries within the framework of CMEA.

73. Machinery, electronics and engineering services now accounted for nearly 50 per cent of Bulgaria's exports. Whereas 25 years earlier his country had not been producing any machines at all, in 1978 machinery exports had exceed \$3.5 billion. Bulgaria's foreign trade was enjoying stable and accelerated growth rates owing to the dynamic development of its economy as a whole. Bulgaria ranked nineteenth among the 30 countries which accounted for 90 per cent of world trade, and a substantial part of its national income came from foreign trade. For that reason, his country attached great importance to the development and strengthening of its economic relations with all countries, irrespective of their economic and social system and degree of development.

74. The Government of Bulgaria made consistent efforts to create a mutually beneficial basis for co-operation with the developing countries. Bulgaria's trade with those countries had continued to grow, being at present the most dynamic sector of its foreign trade, and the import of manufactures constituted a substantial part of it. In accordance with the recommendations of UNCTAD, Bulgaria had extended considerable customs preferences to all developing countries and, in addition, imports of goods from the 35 least developed countries had been exempted from import duties. His country maintained trade and economic relations with more than 80 developing countries and had concluded long-term agreements for trade, economic, scientific and technological co-operation with many of them.

75. Within the scope of its capabilities, Bulgaria rendered assistance to developing countries in the fields of industrialization, energy, transport, housing, natural resources, health care, education, training, and so on. In the last 20 years, the value of scholarships granted by his Government for the training of experts from developing countries in Bulgarian educational establishments had amounted to more than \$100 million, while the amount of credits had exceeded \$1 billion. Those measures were entirely in accordance with the policies approved by the Eleventh Congress of the Bulgarian Communist Party.

76. In the process of the restructuring of international economic relations, Bulgaria was also making efforts to find a just solution to some economic and trade problems in its relations with the developed market-economy countries. In

/...

(Mr. Kolev, Bulgaria)

accordance with the recommendations of the Helsinki Conference, it had taken steps to facilitate business contacts, to improve the exchange of information, to expand industrial co-operation and to implement joint projects. In that connexion, his delegation regarded as anachronistic the attempts made by certain circles to minimize East-West trade and economic relations, to raise administrative and technical obstacles, to intensify protectionist measures and to enunciate a new theory of discrimination following the defeat of the old arguments of an openly political nature. Bulgaria was opposed to all forms of discrimination and any restrictions in international trade, and favoured the development of such trade on an equitable and mutually beneficial basis, in accordance with the principles of the new international economic order.

77. Mr. ABDALLAH (Libyan Arab Jamahiriya) said that the international situation was far from satisfactory, with continued inflation, unemployment and low growth rates. Hunger and the extremely difficult living conditions of millions of people demanded urgent action. That situation was the result of an economic system based on exploitation, with the developed countries taking decisions behind the backs of the developing countries, which were the ones that suffered the consequences. In order to achieve the new international economic order, colonialism, neo-colonialism and zionism must be vanquished.

78. The objectives of the International Development Strategy had not been achieved. The growth of the gross national product of developing countries, which had been expected to be 6 per cent annually, had only reached 5.2 per cent. Agricultural growth had only been 2.6 per cent. The responsibility for that failure rested primarily with the developed countries, which had not fulfilled their commitment to allocate 7 per cent of their gross national product to official development assistance. Protectionist measures by the developed countries, which restricted the access of products of developing countries to their markets, had been another adverse influence. The volume of international trade and of exports from developing countries had declined. A stable monetary system in which all countries participated must be established to replace the existing system, which was dominated by some countries. No progress had been made in the North-South dialogue because of the lack of political will on the part of countries which did not wish to change the present economic system.

79. Since the changes in oil prices in 1973, the monopolist countries had been carrying on a campaign against the Organization of Petroleum Export Countries. The Western media had presented the OPEC countries as being responsible for the crisis, with the aim of diverting attention from the need to establish the new international economic order. The OPEC countries only sought to exercise control over their own resources by changing the practice whereby oil prices were fixed in the importing countries. Petroleum was a non-renewable commodity which both producers and consumers must conserve until new sources of energy were found. It was unreasonable that 5 per cent of the world's population should consume 30 per cent of the petroleum produced, while other countries suffered severe deprivation. The Western media presented the OPEC countries as the main culprits in the world energy crisis. Nothing was further from the truth; the OPEC countries did not accept those accusations; they were making the greatest efforts to find a solution to the situation, and it was not they but the major consumers who had created that situation.

/...

(Mr. Abdallah, Libyan Arab Jamahiriya)

80. Those most affected by the energy crisis were the oil-importing developing countries. In order to overcome the crisis, it would be necessary not only to set up study groups and reduce consumption in the developed countries but also, and more crucially, to find new energy sources to meet the world's growing needs. It must be borne in mind that in 1977 the OPEC countries, despite their efforts to hold down prices, had lost the equivalent of \$3.7 billion as a result of fluctuations in the value of the dollar. Other countries had suffered a double blow, with foreign exchange outflows caused by international price increases coming on top of the international monetary crisis. The OPEC countries were striving to resolve the price problem. It should be pointed out that, for example, the price of oil in 1975 had been equivalent in real terms to the 1974 price.

81. There was another fact which showed the readiness of the OPEC countries to contribute to alleviating the international crisis: whereas assistance from the developed countries was steadily decreasing, aid given by the OPEC countries had continually increased, amounting by 1978 to a substantial figure equal to 2 per cent of their total gross national product. The assistance was provided by agreement with the other developing countries, on terms of equality and mutual advantage.

82. The Libyan Arab Jamahiriya was not opposed to the energy problems being dealt with by the United Nations, but that should not be done in isolation. The subject should be considered together with other closely related matters. The issues of transfer of technology, energy, natural resources and international trade should be considered together, as the Group of 77 had proposed.

83. The domination to which the developing countries were subjected had a number of harmful consequences for them. The Libyan Arab Jamahiriya supported the principle of participation, which excluded exploitation or outside interference of any kind perpetrated by the developed countries against the developing countries. That principle had therefore been incorporated in its five-year plan, which would promote the welfare of the people and their access to a decent life by promoting industrialization and economic growth, and would seek to maintain international relations on such a basis that exploitation was eliminated, mutual advantage fostered and national sovereignty respected.

84. Mr. LANGLO (Norway) said that sustained growth in the economies of the industrialized countries had now given way to a period of uncertainty and recession. Even the most developed countries of the world were feeling the effects of that, which in turn had led to a worsening of the already difficult situation of the developing countries. His delegation, which at the preceding session, had deplored the unacceptably slow pace of the negotiations on the new international economic order, noted that the situation was unchanged. At the same time, some positive developments had taken place, including the agreement on the Common Fund, the solutions reached during the fifth session of UNCTAD, the recent World Conference on Agrarian Reform and Rural Development and the Conference on Science and Technology for Development, which had adopted a programme of action and decided on the establishment of an important fund.

/...

(Mr. Langlo, Norway)

85. However, it must be recognized that the results achieved had not led to any significant structural changes in the world economy, nor had they solved any of the fundamental problems in the relationship between the developed and the developing countries. Nevertheless, in that apparent situation of impasse, there had emerged new and constructive ideas which it was to be hoped would give impetus to the North-South dialogue and also lead to structural changes in the world economy. He had in mind in particular the proposal of the Group of 77 for a round of global negotiations, the proposals emerging from the Arusha and Havana Conferences for substantially increased co-operation among developing countries, and the global energy plan proposed by the President of Mexico.

86. In his statement to the General Assembly, the Minister for Foreign Affairs of Norway had given full support to the proposal put forward by the Group of 77 in the Committee of the Whole for a global round of negotiations on energy, monetary development finance and trade questions. Norway supported the principle that such global negotiations, which must be thoroughly prepared, should be conducted within the framework of the United Nations and be open to all countries. It was also important to make use of existing organs of co-operation and avoid disrupting ongoing negotiations.

87. His delegation concurred with the Yugoslav delegation's proposal that the special session of the General Assembly should be held by the end of August 1980 at the latest, and that the work of the Preparatory Committee for the New International Development Strategy and the Committee of the Whole should be subordinated to that end. It was regrettable that the International Development Strategy for the Second Development Decade had not been implemented, and it was imperative that the new Strategy should be effective and action-oriented. It should be ready for consideration at the special session of the General Assembly, and Norway would participate constructively in its formulation.

88. The objectives of the new Strategy should be framed in line with those of the new international economic order, and it should cover both domestic and international aspects of development and also aspects related to necessary changes in developed and developing countries. It was imperative that certain commitments should be expressed in quantitative targets to be attained within specified limits.

89. The Government of Norway had taken note of the views expressed on various occasions by the developing countries with respect to collective self-reliance. It welcomed those efforts and agreed that a further strengthening of co-operation among developing countries would not only contribute to global development but would also enable them to have a greater impact in international economic negotiations.

90. He would like to dwell briefly on the social dimension of development. No resource was more valuable than people, and economic growth would enable all countries to ensure increased employment opportunities and through those, in turn, to fulfil human needs. Norway therefore emphasized the need for a unified approach to development. Another aspect to be taken into account in the development process was the integration of women. By limiting their participation, societies deprived

/...

(Mr. Langlo, Norway)

themselves of a major contribution. Women played an important economic role at both the national and the local levels as well as in the household, although their productive role was easily overlook.

91. Official development assistance must remain in the future a centre-piece of the system of capital flows to developing countries. In that connexion, it was imperative to reverse the present low and stagnating flow of concessional resources. At the same time, measures should be taken to improve the quality of aid, such as increased use of grants and the untying of bilateral assistance. Comprehensive solutions must also be sought to the problem of securing long-term financing of both multilateral and bilateral concessional flows.

92. Where United Nations operational activities for development were concerned, Norway favoured the adoption of a system of multi-year commitments similar to the system now used for the International Development Association, but adapted to the special needs of the United Nations system. In that connexion, his delegation welcomed the initiative taken by the Governing Council of UNDP to convene early in 1980 a working group which would study the question of multi-year commitments. The agreement reached at the Conference on Science and Technology for Development to explore further the possibilities of assured long-term financing was also encouraging.

93. The great unused capacities and millions of unemployed in the industrialized market-economy countries were a paradox and a sign of deficiency in the existing international economic order, while on the other hand there were vast unfulfilled requirements for investment and consumption in developing countries. Bearing in mind also that there was a surplus of disposable savings within the monetary system, an injection of additional liquidity into the developing countries, and thereby an increase in their purchasing power, would not only be an effective way of meeting their pressing needs for faster economic development but would also give a stimulus to the world economy. The adoption of measures that could contribute to the mobilization of private financial resources for investment in developing countries would also contribute substantially to the same goals.

The meeting rose at 6.10 p.m.