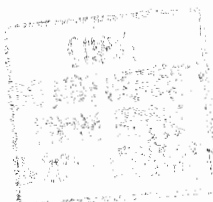




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GENERAL ASSEMBLY

PROVISIONAL VERBATIM RECORD OF THE TENTH MEETING

Held at Headquarters, New York,
on Monday, 30 April 1990, at 10 a.m.

President:

Mr. GARBA

(Nigeria)

- General debate [8] and [9] (continued)

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The meeting was called to order at 10.30.a.m.

AGENDA ITEMS 8 AND 9 (continued)

GENERAL DEBATE

Mr. TSHERING (Bhutan): Mr. President, my delegation is happy once again to see you presiding over our deliberations. You have conducted this special session with the same wisdom and dynamism with which you have directed the proceedings of the forty-fourth session of the General Assembly.

My delegation would also like to express its appreciation to the Secretary-General for his eloquent and inspiring opening remarks. They captured in essence the challenges and opportunities ahead and the need for us to realize these opportunities if we are to stand equal to the challenges.

A highly eventful decade has just come to a close. We have witnessed unprecedented changes in the international political landscape. Physical and ideological barriers that divided men and nations and forced one to view the other with suspicion and even hatred are falling apart. A new code of rules that will govern the future conduct of international relations, which includes a major role for the United Nations, is evolving. Of the many notable achievements, Namibia's independence has vindicated the trust and confidence reposed in the United Nations. We are pleased that Namibia's admission to the United Nations was fittingly solemnized during this special session of the General Assembly. I would like once again, on behalf of the Royal Government of Bhutan, to extend our warm felicitations to the Government and people of Namibia and welcome it to this comity of sovereign nations.

Although the recent past has seen significant and substantive changes assuring a new era of hope in the political sphere, the economic picture remains bleak.

(Mr. Tshering, Bhutan)

Many speak of the 1980s as the wasted decade, a decade of disappointed hope or, most frequently, the lost decade as far as development is concerned. The reasons are many, and much has already been said about them. However I see a virtue in some repetition here, especially when this session is considering the causes of the present economic malaise and a prescription for their remedy. The sluggish or non-existent development of the 1980s can be attributed to the deterioration in the terms of trade, increasing protectionism, reduction in the flow of financial assistance to developing countries, high interest rates, the reverse transfer of resources from developing to developed countries, volatile exchange rates, and a fall in commodity prices. The debt crisis has further aggravated the situation in many developing countries and hampered their growth and development.

The adverse international economic climate has brought great suffering and hardship to all developing countries. The impact, however, has been more profound in the least developed countries. The poorest of the global poor continue to struggle for bare survival in the least developed countries. One thinker and philosopher once said, "All existence is not living, and all living is not life". This aptly sums up the plight of the people in the least developed countries.

The international community focused major attention on the problems of the least developed countries' underdevelopment when the first United Nations Conference on the Least Developed Countries was convened in Paris in 1981. The Substantial New Programme of Action (SNPA) adopted by the Conference called for both international measures and national efforts aimed at ameliorating the difficulties of the least developed countries. The donor community's commitment to provide 0.15 per cent of the gross national product as official development assistance or to double their official development assistance by 1985 represented a milestone in concerted international response to the problems of the least developed countries. One thought a decade of hope and promise had begun for them.

(Mr. Tshering, Bhutan)

That decade is now behind us. The hope and promise it held remained an illusion. In spite of donor commitment, the SNPA target remains largely unfulfilled with a few notable exceptions. Many least developed countries experienced a negative growth rate despite domestic reforms. Even more disturbing is the fact that the number of least developed countries increased from 31 to 42 during that period.

I have dwelt at some length here on the problems of the least developed countries as I believe it puts into sharp focus the overall deterioration of the economic conditions of all developing countries. The resultant impact on the least developed countries cannot be over-emphasized.

The onus is now on us to decide whether this abysmal record of the 1980s should continue into the decade of the 1990s and beyond. The challenges of the 1990s are indeed daunting. The difficulties involved in reversing the trends of the 1980s are enormous. That 1990 has begun on an auspicious note gives reason for hope. There is an increasing awareness of and growing alarm over the situation, resulting in efforts to alleviate these problems. If, indeed, this mounting concern over the current unhealthy state of the world economy can be translated into improved international economic co-operation leading to concrete commitments and action, we would have given development a new lease on life.

My delegation considers the consensus commitment of the international community to convene this special session is but one such manifestation. The unanimous decision of the Member States on the need to formulate an international development strategy for the Fourth United Nations Development Decade is another. The resolution to convene the United Nations Conference on Environment and Development in 1992 and the commencement of its preparatory process in earnest represent another significant co-operative step. These undertakings are of immense significance, and their success or failure will determine the state of the

(Mr. Tshering, Bhutan)

world economy and the quality of human life. The outcome of this special session should therefore provide broad policy guidelines for future international economic co-operation to ensure growth and development.

(Mr. Tshering, Bhutan)

The decision to convene the second United Nations Conference on the Least Developed Countries in September of this year is also significant. My delegation considers that Conference to be timely and essential for addressing the serious economic difficulties afflicting the least developed countries. We hope that, learning from past experience, the Conference will be able to agree on a comprehensive and co-ordinated approach to the task of mitigating the problems of the least developed countries. We also hope that the international community will find appropriate mechanisms within the overall strategy for international economic co-operation to take account of the special and unique nature of the problems of land-locked and island developing countries.

As we call for renewed efforts in international co-operation for development, we should like to draw attention to the decline in multilateralism and to the reduction in support for multilateral organizations engaged in the process of assisting developing countries. It should be noted that for medium-sized and smaller developing countries, multilateral development and financial institutions have important roles and therefore require the continued support of donor countries.

In the field of socio-economic development, Bhutan has made tremendous progress in the past 25 years. A large measure of that progress has been made possible through substantial support from friendly donor countries and multilateral organizations. While Bhutan fully recognizes that the primary responsibility for the development of its people and the protection of its environment rests with itself, considerable support from external sources is required owing to the large investments still required in public and social infrastructure. In discussions of the extent and role of such external resources with the multilateral and donor communities, the question of absorptive capacity has very often been raised. In that connection, it should be noted that, more often than not, the issue of

(Mr. Tshering, Bhutan)

absorptive capacity is related to increasingly complicated and rigid aid modalities. These issues must be examined as a part of the review of economic co-operation.

The decline in super-Power hostility presents an opportune moment once again to underscore the intrinsic link between disarmament and development. Defence expenditures have indeed been a major source of irrationality in the allocation of scarce resources. The reallocation of those funds to much-needed development programmes will not only enhance the quality of life for the poor and deprived but will also spare the creative genius of mankind for the pursuit of other, more constructive and nobler goals that would preserve and enrich humanity. My delegation hopes that the international community will demonstrate the necessary political will and wisdom to make the concept of development through disarmament a reality.

My delegation also believes that the adoption without a vote, during the forty-fourth General Assembly session, of the decision to convene the present special session bears testimony to the shared responsibility of the international community for rectifying the present inequitable economic system. It also reflects the interdependent nature of our economies and our commitment to strengthen that interdependence as a matter of enlightened self-interest. Inasmuch as the decision was the product of consensus, we believe that we should not shy away from our responsibility and commitment; nor should we seek to extract advantages that would undermine the growing spirit of co-operation in international relations. For too long the dichotomy between developed and developing countries and between the rich and the poor has been seen through the prism of the North-South divide. We now have the opportunity to see the predicament of affluence and poverty, growth and decline, and developed and developing as a problem of one world calling for joint action and shared responsibility.

(Mr. Tshering, Bhutan)

Addressing the General Assembly at its thirty-ninth session, the Foreign Minister of Bhutan said,

"Human history is not merely a list of tragedies but is rich in inspiring stories of the glorious achievements of individuals and groups in the fields of politics, economics, the arts, philosophy and other areas of human endeavour". (A/39/PV.20, p. 76)

Let us look to this special session as one such inspiration for placing development as a priority on the international agenda. We should then have enabled the United Nations, which in recent years has played a decidedly active and important role in the area of peace-making and peace-keeping, to realize the economic objectives enshrined in its Charter: to promote social progress and better standards of life in larger freedom. Let this special session be a landmark in international economic co-operation.

Mr. ESSY (Côte d'Ivoire) (interpretation from French): My delegation, Sir, is delighted to see you presiding over this special session of the General Assembly devoted to international economic co-operation, in particular the revitalization of economic growth and development of the developing countries. The masterly fashion in which you have guided the work of the forty-fourth session and of two earlier special sessions gives us reason to hope for positive results from the present special session.

Let me also take this opportunity to extend our heartfelt congratulations to the delegation of Namibia on that fraternal country's long-awaited achievement of independence, and to express to them our joy and our pride at seeing Namibia a full-fledged Member of this Organization.

I wish also to thank the Secretary-General for the high quality of his overall report on the state of international economic co-operation, in particular on effective ways and means of revitalizing economic growth and development.

(Mr. Essy, Côte d'Ivoire)

Our peoples and our Governments may justly wonder about the motive and rationale for the convening of another special session of the General Assembly devoted to development matters. After the 1974 special session calling for the establishment of a new international economic order and the adoption of the Charter of Economic Rights and Duties of States; after the 1986 session devoted to the critical economic situation in Africa; after the Cancun, Venice and Toronto summits; after seven United Nations Conferences on Trade and Development; after the adoption by the international community of three United Nations Development Decades since 1961 - after all that, what do we see today?

We see that the vast gap separating the prosperity of the developed countries from the unrelenting destitution of most developing countries is growing wider. We see that the various strategies adopted to date have not yielded the expected results for developing countries and that, on the contrary, the situation of many of those countries has become extremely precarious.

We might explain this situation by noting that those great meetings were held in a tense international context.

Today, the calmer international political climate should enable us to rethink international economic co-operation and various development strategies, taking an approach of greater solidarity that would reflect far more faithfully the de facto interdependence that exists among our nations. We cannot but hope that, thanks to that climate, the present special session will lead to a new international consensus in favour of world-wide growth and development in the years to come.

(Mr. Essy, Côte d'Ivoire)

It will be remembered that at the beginning of the 1980s, when the crisis was really becoming entrenched, the question was whether we should foster a revival of growth in the developing countries, with beneficial effects on the economies of the industrialized countries, or, on the other hand, strengthen growth in the industrialized countries, thereby inducing a resumption of growth in the developing countries.

Almost 10 years later it seems that the latter school of thought won, without producing the expected positive consequences for the developing countries. The economic performance of the developed countries, particularly those belonging to the Organisation for Economic Co-operation and Development (OECD), contrasts with the situation in the majority of third world countries, where income has declined by a quarter and sometimes has even been halved. Indeed, the past decade has produced no improvement in the standard of living of the populations of many developing countries.

The real question in economic international relations today is what more the developing countries can do entirely on their own.

Very early on we in the Côte d'Ivoire came to the conclusion that our development depended on ourselves. Thus, having established a sensible agricultural policy with guaranteed prices for our farmers, wherever they are producing their goods, and whatever world prices may be, Côte d'Ivoire has risen in one decade from fourth to first place among world cocoa producers. It is also third in world coffee production, after Brazil and Colombia, third among African cotton producers, after Egypt and the Sudan, and second African producer of rubber, not to mention its production of copper, bananas, pineapples and so on. Of the 18 products exported to the developed countries from Latin America and Africa, only 6 are not produced by Côte d'Ivoire.

(Mr. Essy, Côte d'Ivoire)

I am giving all these statistics to give a better idea of the production and diversification efforts made in Côte d'Ivoire since our independence. Our efforts, like those of certain other third world countries, have unfortunately been penalized by the present system of international economic relations. For in the final analysis the international economy is entirely manipulated and dominated by the developed countries. Their decisions and policies are reflected in the erratic fluctuations of interest rates, exchange rates and financial flows. It is also they that set the prices for our raw materials, which are too low, and their manufactured goods, usually made from those raw materials. All this has contributed to marginalizing the developing countries, which are now relegated to the periphery of the world's economic system.

Although it is true that the development of those countries depends primarily on themselves, it is equally true that development is possible only in a more propitious international economic climate and with sufficient support from our developed partners. There is too often a tendency to attribute the difficulties of the developing countries to poor internal management. Such an analysis is, to say the least, incomplete. There is a saying in our country that one cannot hide the sun with one's hand.

In three years Côte d'Ivoire has lost nearly \$9 billion as a result of the drastic fall, decided upon in London and elsewhere, in the prices of its products. As the President of the African Development Bank noted in an analysis he gave during this special session of the grave, unprecedented economic crisis afflicting Africa, in

"Côte d'Ivoire ... the decline in cocoa and coffee prices resulted in a 30 per cent fall in 1989 export proceeds and adversely affected the country's economic and political stability. Can one reasonably expect these countries to plan or programme effectively in such circumstances?" (A/S-18/PV.4, p. 167)

(Mr. Essy, Côte d'Ivoire)

To that last loss we must add a haemorrhaging of hard currency, which for most developing countries means a net transfer of resources to the developed countries totalling about \$30 billion a year. It is a Marshall Plan in reverse.

It goes without saying that the revival of growth and development require a continuation of the recovery efforts that have already been made. But those efforts will be in vain without strengthened international co-operation resolutely geared to a resumption of growth in the developing countries and in particular without the resources required to support the necessary reorganization process.

In that regard, the debt crisis is one of the major obstacles to the economic revitalization of developing countries. Therefore, the search for a just and lasting solution to that problem should deal with the genuine causes of the crisis, which include the purchase at absurdly low prices of our agricultural products and mining and mineral raw materials.

Côte d'Ivoire properly appreciates the unilateral measures taken to alleviate the debt as well as the initiatives in the framework of the Club of Paris, the Club of London, the Toronto Summit and the Brady plan. However, those measures have all proved insufficient to restore the capacity of the debtor countries to meet their obligations.

As we wait for viable solutions we have to live with the debt and must ensure that it does not absorb more than a certain percentage of our export earnings, already sharply reduced, so that we may carry out new development programmes. The debt problem would not have arisen, at least not to the present extent, if more attention had been paid to measures to encourage developing countries to develop on the basis of their own resources, freed by a fairer system of trade relations.

Côte d'Ivoire continues to believe that a genuine solution to the problem of commodities requires a complete revision of the false idea of supply and demand applicable only to raw materials produced by the developing countries. We are more

(Mr. Essy, Côte d'Ivoire)

than ever convinced that the search for solutions to the problems of fair remuneration for our raw materials requires the processing by the developing countries themselves of their raw materials into semi-finished and finished products. Such processing implies the training of competent national personnel and the acquisition of appropriate technology. The developed countries have an essential role to play in this form of co-operation.

As is often said, the best aid is that which allows one to manage without aid.

The current development crisis also perhaps results above all from our refusal to assume our full responsibility for finding permanent ways and means to choose our own development path.

The present session gives us an opportunity to open the way to the realization of the true peace that we desire - peace based not on the status quo of inequality and injustice, but on a constant effort to bring about the progress of all peoples, and particularly the most impoverished.

By taking all those elements into account within a framework of renewed co-operation, based on greater well-being for all, the international community will be able to face up in solidarity to the current challenges and the emergence of new non-military threats to peace: unemployment, drugs, lack of development, extreme poverty and the destruction of the environment.

Mr. MIN (Myanmar): We live in a world of vast transformations and momentous changes in international relations. One truly historic change that gives us immense joy and satisfaction is the independence of Namibia. It is therefore with great satisfaction and pleasure that the Union of Myanmar welcomes Namibia as the 160th Member State of the United Nations. On this auspicious occasion it is indeed most fitting that you, Sir, an illustrious son of Africa, with vast and varied experience, should have been elected to preside over our deliberations.

(Mr. Min, Myanmar)

This special session has raised the hopes and expectations of the developing countries for a better and fuller tomorrow. The very fact that we are gathered here is perceived by them as a clear testimony to the growing realization by the international community as a whole that priority should again be accorded to growth and development, in particular to the economic well-being of the developing countries. Clearly, the disappointing record of the last decade underscores the need for the global family to take stock of the situation and to translate our hopes and concerns into improved international economic co-operation resulting in concrete action. This special session provides us with a unique opportunity to work together to forge a new consensus - a consensus that would again put growth and development at the top of the international economic agenda and one that would take full cognizance of the need to focus attention on the plight of the developing countries.

In the 1980s, the virtues of domestic economic adjustment were impressed upon developing countries. But as we have seen, programmes of adjustment and reform which developing countries carried out in earnest did not always yield the desired results. This was due largely to the absence of an international economic environment conducive to and supportive of these efforts. Some of the features that characterized the global economy during the past decade and which impeded economic growth and development of the developing countries were, among others: rising debt leading to a net transfer of resources from developing to developed countries; reduced financial flows to the South; falling commodity prices; adverse terms of trade; growing protectionism; high international interest rates and wide fluctuations in international exchange rates. The lesson imparted to us by our experience of the past 10 years is that there must be symmetry between the adjustment programmes of the poor South and those of the rich North.

(Mr. Min, Myanmar)

The developing countries have demonstrated a commendable awareness that the responsibility for implementing sound economic strategies rests primarily with themselves. This is evidenced by the programmes of economic reform and adjustment designed to revitalize growth and development which many of them are vigorously implementing in the face of great difficulties and at a high social cost. However, if these efforts are to bear fruit, it is essential that the pattern of international economic relations be transformed into one that is supportive and equitable. The concept of global interdependence which has gained universal recognition requires that each and every nation take fully into account the consequences of its policies. The objective of this special session can be fulfilled and the challenges of the 1990s met only if both the North and the South, in a spirit of partnership and in keeping with the best traditions of enlightened self-interest, work together in devising a global development strategy that would avoid the collective mistakes of the last two decades and promote sound and sustained socio-economic growth world wide. Given their economic power and their advanced science and technology, the industrialized countries are in a position to make a significant contribution to the elaboration and implementation of such a strategy.

In my own country, Myanmar, fundamental and far-reaching economic reforms are being undertaken in response to the urgent need for restructuring our economy in line with the developments in the international economic and business environment. We have put in place a new economic system which is based on an open-door policy and is market-oriented. Economic reforms introduced include tangible measures for promoting and diversifying exports, abolishing price controls and subsidies, encouraging domestic and foreign investments, and giving the private sector a significant role in economic development. Another crucial step taken was the

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promulgation of the Union of Myanmar Foreign Investment Law with a view to attracting non-debt-creating flows such as direct foreign investments.

To promote all-round socio-economic growth and development in the whole country and to ensure that every region of the country benefits equally from the changes being implemented, the Myanmar Government has launched an integrated rural development programme in the frontier areas, relying initially on our own resources. The programme places special emphasis on infrastructure-building, crop substitution and overall alleviation of socio-economic conditions. The success of this programme will at the national level bring substantial and real benefits to the regions concerned and at the international level contribute significantly to the world-wide combat against narcotic drugs by leading eventually to the eradication of opium poppy cultivation.

The greatest single impediment to the economic development of developing countries is unquestionably the debt crisis and its attendant problem of a net transfer of resources from developing to developed countries on a massive scale. Well-meaning attempts to deal with this problem notwithstanding, a comprehensive solution is still not in sight. According to International Monetary Fund figures, third world debt increased from less than \$800 billion in 1982 to nearly \$1,300 billion at the end of 1989. As a result of the heavy debt burden, developing countries have been forced to devote a disproportionately large percentage of their export earnings to servicing their debt. An early solution to the debt crisis must therefore be given the highest priority in any development strategy for the 1990s. The Toronto initiative and the Brady plan are steps in the right direction, but the need for new and innovative approaches with wider scope of country coverage and eligibility criteria is clearly evident. Bilateral creditors should expedite debt relief measures, including outright cancellation of official-development-assistance loans wherever possible. Rescheduling of third

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world debt should be at the most concessional rates and involve longer payment periods. Moreover, no least developed country should be denied, for any reason, the relief afforded by any debt strategy or facility involving support for debt and debt-servicing reduction. Parallel to these measures arrangements for buy-back and conversion schemes should be instituted to reduce commercial debts. In order to minimize their debt-servicing burden in the long term, donors should provide all least developed countries with substantial and non-politicized development assistance in the form mainly of grants. When grants are not feasible, loans should be extended on the most concessional terms.

In the area of international trade, unilateralism, bilateralism and protectionism have been on the rise and are exerting a negative impact on the efforts of developing countries to uplift their economies. This unhealthy trend should be halted and reversed urgently and replaced by a more open, credible and equitable multilateral system.

Commodity exports play an important role in the economies of most developing countries. Depressed commodity prices and worsening terms of trade constitute major impediments to their efforts to revitalize their economic development. It bears repeating that fair and remunerative prices of commodities are necessary for those countries to increase their export earnings allowing much needed imports for their domestic industries. Enhancement of the existing mechanism and promotion of new and innovative measures for encouraging predictability and stability of commodity markets is therefore an important objective to be achieved. Moreover, measures should be put in place to enable developing countries to participate in the international division of labour through a liberal and global trading system. In this respect, special and preferential treatment for the developing countries, in particular for the least developed among them, should be continued and improved.

(Mr. Min, Myanmar)

Environment and development have come to the fore of the international political and economic agenda. Environmental affairs have of late assumed an ever-increasing important place in the national policies of many countries, including my own. We are of the view that environment and development are so closely linked that they constitute two sides of the same coin and that to tackle environmental problems, development issues need to be addressed simultaneously. For the poor and the deprived, environmental problems can occupy only a position of marginal importance. Poverty alleviation, therefore, is an essential prerequisite for environmental protection. It is with this concept in mind that our Government has established a national commission for environmental affairs.

Environmental degradation and the accompanying dangers that we face today are a common concern of all nations. The failure in the past to take into account the adverse effects on the environment of uncontrolled economic growth will have to be considered and rectified, primarily by those who contributed to it and who have the means to do so. Significant resources must be made available and access to environment-friendly technology provided to the developing countries to enable them to assume their national responsibilities for environmental management.

The Union of Myanmar believes that in this increasingly interdependent world it is in the fundamental interest of all States to work together through international co-operation if we are to meet the challenges of the 1990s. In this context, I cannot but emphasize the importance of global integration and the role of the United Nations in promoting a comprehensive solution to the problems we face.

The international community stands at a historic crossroads. We can either ignore the alarms that have been sounded and repeat the frustrating failures of the past or seize this opportunity to forge international co-operation to stabilize the world economy and revitalize the development process. My delegation believes that

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the relaxation of political tensions and military rivalry between the major Powers and their allies provide us with a golden opportunity to focus on developmental issues. Let us seize it.

The PRESIDENT: I should like, on behalf of members, to welcome very warmly the delegation of Namibia, particularly their Foreign Minister, Mr. Theo-Ben Gurirab, who will be speaking from this rostrum for the first time. We know how hard Mr. Theo-Ben Gurirab fought for the independence of his country. It is a personal honour for me to welcome him as he addresses the Assembly for the first time.

Mr. GURIRAB (Namibia): Sir, I should like first of all, in the name of my delegation and the free and independent Namibia, to congratulate you on your election to the presidency of the eighteenth special session of the General Assembly. Your election is a fitting tribute to you personally and an honour to your great country, Nigeria, which, along with the front-line States and other progressive forces, toiled with the Namibian people during our struggle for self-determination, national independence and social justice. Your personal role, contribution and accomplishments in international affairs, and indeed in the liberation of Namibia, are matters of public record. I know it to be so because you and I worked closely in the negotiations on resolution 435 (1978). That is why we were most gratified to see you, a distinguished son of Africa, preside over the admission of Namibia to the United Nations. We are therefore confident that, just as you successfully guided the deliberations for the admission of Namibia, you will once again skillfully shepherd the Assembly in its deliberations.

The agenda before this special session on international economic co-operation speaks volumes. Revitalization of economic growth and development, debt problems, mass unemployment, grinding poverty and squalor are all issues that cry out for immediate resolution through national and international collaborative programmes

(Mr. Gurirab, Namibia)

for economic and social development. As a newly independent nation, we feel daunted by the enormity of these problems. But we take comfort in the cumulative experience of many Members before us and must join hands with the old hands, confident that the enormous outpouring of international support we received during the struggle against colonialism, apartheid exploitation, tyranny and humiliation will now be transformed into economic support and co-operation.

I should like to be a bit selfish in my approach. I want to mirror the internal economic problems of my country in the context of the discussions here, which are international in perspective. We have struggled hand-in-hand with the international community to free Namibia politically. Our glorious victory, achieved through the sacrifice, perseverance, foresight and heroism of the Namibian people and their courageous leaders, was hailed world wide, just as our liberation struggle enjoyed the all-round and sustained support of the countries and peoples represented in this Assembly. It is against this background that we call once again upon all Members in the same spirit to support our efforts for the economic liberation, development and social progress of all our people.

(Mr. Gurirab, Namibia)

The triumph of our political struggle was celebrated by the whole world on Wednesday, 21 March 1990. A few minutes past midnight, on that historic morning in Windhoek, in the presence of probably the largest gathering of Presidents, Prime Ministers, Ministers, the Secretary-General of the United Nations and other world leaders ever assembled, as well as a world-wide television audience, the flag of colonialism was lowered and that of liberation hoisted. President Nujoma, the first President of the Republic of Namibia, on behalf of our people declared our country forever free, sovereign and independent.

Now that we have won our national sovereignty, our struggle for economic independence and social well-being has begun in earnest. When we lived in exile, we had the luxury of watching many of the Governments that constitute this body grapple with the problems of statehood and national development. Now it is our turn.

The Namibian population reflects the beautiful, kaleidoscopic mosaic that we call humanity. We have black people, beautiful like myself. We have white people, no doubt also beautiful. We have people of all colours in between. Our task now is to consolidate the political independence of all our people by working for their greatest economic and social advancement. For that, we require the continuation of the international solidarity given to us during the liberation struggle. We very much liked the exemplary collaboration that we received during our struggle; it marked the finest hour of service to humanity.

The centre-piece of Namibia's Government policy is the eradication of all vestiges of apartheid colonialism and the fostering of peace, unity and economic well-being in our country. We are proud of our Constitution, for it is a product of free and fair elections. It guarantees every Namibian the right to inherent dignity, life, liberty and the pursuit of happiness. Fundamental human rights will not be violated. At the same time, social arrogance and exploitation by any

(Mr. Gurirab, Namibia)

section of the population will no longer be tolerated. Namibia's independence must usher in change. And that change must be seen to have come, especially in the eyes of the poor and disadvantaged in our society.

Our Constituent Assembly, which reflects multi-party representation, adopted our Constitution and elected the first President unanimously. Democracy based on equal opportunities and respect for basic human rights will be the corner-stone of our nation-building and of social progress in Namibia. Building on that corner-stone of a strong and democratic State, the Government of Namibia is committed to a public policy aimed at removing all discriminatory laws, structures and practices; assuring every citizen the right to fair and reasonable access to public facilities and services; providing an acceptable level of nutrition and public-health services for all our people; fostering improvement in the standard of living through compulsory education for our children, and the provision of adult-education facilities for those who have missed formal schooling; ensuring equal opportunity for women to enable them to participate fully in all spheres of society; assuring that the ecosystem is protected and maintained, and that natural living resources are utilized on a sustainable level for the benefit of all Namibians, present and future.

I should now like to address the socio-economic situation we have inherited and give an outline of our policies and priorities for reconstruction and development. That, I believe, will indicate to the Assembly and to the international community generally the basis on which co-operation and support may ensue in our case, and to give clarity to the enormous problems facing our new nation.

A minority of our people participate in the modern money economy. The economists describes them as "the economically active population". Thirty per cent

(Mr. Gurirab, Namibia)

of them are unemployed. The majority of our people are in the traditional agricultural sector and suffer massive underemployment.

We have a distorted income pattern. Five per cent of our population earn an average of \$14,500 per year, whereas 40 per cent earn \$600. The remaining 55 per cent, the majority of our people, have a per capita income of only \$63 per year. And yet, it seems that the distorted figure for our average per capita income may disqualify us for some categories of international assistance. A suggestion has been made that Namibia is among the third-world countries with the highest per capita incomes. We argue, therefore, that those statistics have to be viewed in the context of the people's ability to gain access to basic human needs - namely, employment, shelter, nutrition, health and other social services.

Expenditure on education has been in almost perfect disproportion to the ethnic make-up of our population. Under the colonial administration, which established 12 different ethnically based education systems, the resources allocated to the 11 black administrations amounted to one tenth of what was devoted to white education. Thus, between 30 and 40 per cent of black school-age children do not attend classes, and 60 per cent of the teachers are unqualified, while 30 per cent are underqualified. Namibia is faced with hordes of out-of-school, unskilled and unemployable youth and adults, since the educationally deprived communities represent over 90 per cent of our population.

The health and housing sectors have similarly been adversely affected by the obnoxious system of institutionalized apartheid in the form of various ethnic administrations.

(Mr. Gurirab, Namibia)

We have inherited a civil service numbering more than 50,000 persons in a total population of less than 2 million people.

Namibia starts off with a budget deficit estimated this year at some R500 million, which is equivalent to about \$200 million. In 1988 Namibia's Government expenditure was about 56 per cent of its gross national product. Our erstwhile colonial Power, South Africa, makes an outrageous claim that we owe another R700 million - or some \$280 million - for past expenditures supposedly made on our behalf.

Apartheid colonialism produced a dualistic economy that has led to lopsided development in almost every sector and has resulted in glaring poverty among the majority of our people. Over 70 per cent of the population is involved in agricultural activities, but the heavily subsidized - namely, white - commercial agricultural sector accounted for only 10 per cent of gross domestic product in 1988.

The Namibian economy is heavily dependent on international trade. About 80 per cent of our physical output, which is mostly derived from mining, livestock and fishing, is exported. Conversely, some 60 per cent of domestic consumption is imported.

One painful import from South Africa into Namibia was our inflation rate, which at the end of 1989 was conservatively estimated to be 13.9 per cent. In reality it is considered to be far higher.

I outlined these problems facing our new nation in order to demonstrate their magnitude. The challenge that faces us is how best to take advantage of Namibia's vast resources and international goodwill and support to realize our development goals in a united, just and democratic country.

(Mr. Gurirab, Namibia)

The Government of Namibia has made - and it reaffirms - an irrevocable commitment to ensure the full participation of all Namibians in each stage of the development of our nation. That commitment reflects not only the political convictions of the South West Africa People's Organization (SWAPO), the ruling party, but also the certainty that no developmental policy, however well conceived, financed and executed, can produce enduring benefits without such popular participation by all sections of the national community.

Let me therefore delineate some of the Government's priorities and programmes as they relate to the public and private sectors and to regional development and co-operation.

Public-sector priorities include, first, health care for the neglected majority of the people; secondly, affordable housing for all segments of the population; thirdly, education and training to give an opportunity to all Namibians to participate fully in the development process; and, fourthly, agricultural and rural development, on which the livelihood of the majority of the Namibian people depends.

Namibia will need the greatest possible support of the international community in meeting those basic social needs. In that connection we look forward to the planned donors' pledging conference here at the United Nations Headquarters from 21 to 23 June 1990, at which the international community will be invited to indicate the assistance it intends to give to our fledgling democracy.

The Namibian Government places great hopes and expectations in the outcome of the donors' pledging conference. We urge the international community to extend to Namibia's reconstruction phase the same solidarity and unity of purpose it demonstrated during the fight for national independence. After all, our newest nation is in a sense at this time a child of the international community. Our

(Mr. Gurirab, Namibia)

election, the manner in which we conducted it, our Constitution, our reconciliation policy and also the political process now afoot in Namibia reflect a sincere commitment to pluralistic democratic values that match - and perhaps even surpass - some of the much-praised and heavily subsidized changes taking place elsewhere.

With respect to the private sector, we believe that it should be an engine for growth and prosperity. We look forward to a good partnership between the State and the private sector because only through such co-operation can our economy expand and prosper. The underlying principles of government policy with respect to the private sector derive from the Constitution itself, which provides for property rights, affirmative action, multiple forms of ownership and the encouragement of private investment. Indeed, common sense dictates that this is a wise policy.

The Government views the public and private sectors as complementary. The vast majority of Namibians - even the most economically marginal - engage in some form of private-sector activity to sustain themselves and their families. It is the Government's goal to support and reinforce those private initiatives by our people.

In addition to encouraging local private-investment programmes, the Government will, in the near future, introduce legislation to enact an investment code designed to attract economically viable and productive foreign investment. The code will provide guarantees, which international investors normally expect, and offer incentives to investment projects that emphasize employment, training of Namibians and advancement of the general population.

In co-operation with the private sector and the United Nations Development Programme (UNDP) the Government will organize a private-sector conference to be held at Windhoek in November 1990, at which foreign investors will have the

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(Mr. Gurirab, Namibia)

opportunity to meet Namibian entrepreneurs and senior Government officials and to examine the broad range of investment opportunities in various parts of the country.

Namibia has now taken its rightful place among the countries of the world in general and of the southern African subregion in particular. We are an integral part of the world community and of southern Africa, with which our political and economic destinies are closely intertwined.

(Mr. Gurirab, Namibia)

As the tenth member of the Southern African Development Co-ordination Conference (SADCC), Namibia will seek to foster regional economic integration and co-operation in the various regional endeavours. Beyond that, we shall seek to strengthen Namibia's trade and economic development, co-operation and opportunities within the Lomé Convention arrangement and existing economic structures of the Organization of African Unity (OAU), such as the Lagos Plan of Action, as well as Commonwealth and other linkages of economic and technical co-operation.

Namibia, as President Sam Nujoma pointed out at the SADCC Conference,

"should be positively inspired by the world trend towards promoting regional co-operation as the only viable alternative for survival in an increasingly hostile and competitive international marketplace".

As Namibia comes of age, we are profoundly concerned about the increasingly deteriorating economic environment of the African continent, of which we are a part. Escalating problems of debt, unemployment and underdevelopment, economic stagnation, poverty and widespread conditions of famine, the plight of the displaced persons as a result of both natural disasters and unrelenting interborder military conflicts demand urgent action and international co-operation.

Africa must be economically free. Its economic performance up to now, I must say, has been characterized by instability as a consequence of political and market fluctuations. What looked like a promising development for sub-Saharan Africa as a whole in the 1960s and in the early 1970s was reversed during the 1980s. Indeed, in most of our countries, per capita incomes have been falling. Investment has fallen by almost 50 per cent and is now, in per capita terms, lower than it was in the middle of the 1960s. Imports per capita today are only 60 per cent of what they were in 1970, while exports have fallen by at least 45 per cent since 1980, resulting in the most unfavourable balances of trade ever. External debt has continued to escalate, resulting in devastating debt-servicing figures. Added to

(Mr. Gurirab, Namibia)

this, recent figures show a worrisome decline in overall official development assistance. Consequently, nutritional standards of the most vulnerable population groups, such as the poor, women and children, have been severely curtailed.

Protectionism in manufacturing and agricultural activities hinders the promotion of basic industries in developing countries, including our own. Moreover, commodity prices remain extremely unstable. Thus, although we now operate in an atmosphere of some emerging rapprochement and peace at our regional level, there is still a hostile international economic environment.

We must therefore demand that the developed North should respond positively to gestures of economic co-operation. We must recognize that the existence of widespread poverty and squalor anywhere is a threat to prosperity everywhere. It follows that the destinies of humankind are inextricably intertwined. In this context I wish at this juncture to express active solidarity with the South African and Palestinian peoples, which are suffering but fighting gallantly. The Republic of Namibia regards their struggles for self-determination, democracy and statehood as just and deserving unconditional support from all of us.

In conclusion, a word or two to our illustrious Secretary-General.

Mr. Secretary-General, my Prime Minister has already placed on record our strong sentiments of respect and admiration for your tireless and dauntless efforts directed towards the implementation of Security Council resolution 435 (1978) and particularly for your leadership, which assured the success of the historic operation of the United Nations Transition Assistance Group (UNTAG) in Namibia. May I therefore add my own voice in congratulating and thanking you and your Special Representative and his deputy for a job well done.

Finally, let me underscore the fact that our common survival on planet Earth is best assured through mutual support and close co-operation. The Republic of Namibia is ready to make its humble contribution in that direction.

Mr. PERERA (Sri Lanka): I should like to join preceding speakers in congratulating Ambassador Joseph Garba on his election to preside over the eighteenth special session of the General Assembly.

Sri Lanka has great pleasure in welcoming Namibia as the 160th Member of the Organization. We offer it our warm congratulations and best wishes. We are confident that Namibia will play a constructive and valuable role in our common efforts to promote the purposes of the United Nations.

On behalf of my delegation I should like to thank Mr. Perez de Cuellar, the Secretary-General, for his statement. My delegation would also like to make a special reference to the Secretariat, which has fulfilled its duties diligently.

We are devoting this special session to international economic co-operation, in particular the revitalization of economic growth and development of the developing countries. Sri Lanka is glad that this special session was convened and expects the international community, comprising the developed and the developing countries, to understand the problems all of us are faced with and take immediate and vigorous steps to solve them.

For prosperity to be legitimate it is necessary that large segments of the population do not survive in conditions of abject poverty. While the eradication of poverty is almost an unattainable Utopian aspiration, it has been well demonstrated that the alleviation of poverty is within the reach of countries like mine. Low infant-mortality rates, high average expectation of life at birth, high adult-literacy rates for both men and women have been achieved in Sri Lanka with sensible social development policies adopted over some 40 years. While hard-earned gains were recently threatened by internal conflicts that now have been satisfactorily resolved, in order to revitalize growth and sustain development Sri Lanka has been following liberal economic policies since 1977 and now has possibly the freest economic régime in South Asia.

(Mr. Perera, Sri Lanka)

Being a small island-nation not endowed with natural resources such as petroleum and other minerals, Sri Lanka has depended far too long on primary commodities - tea, rubber and coconut - to earn foreign exchange. In a changing international economic environment, Sri Lanka took steps to diversify the economy and also make it broad-based, ensuring that the benefits elicited from that exercise reached, as far as possible, the lower strata of society.

Tourism and light export industries became major sources of employment and foreign exchange. Yet the narrowness of markets limited the rate of growth of these industries. Consequently there is the problem of providing adequately productive employment opportunities to a healthy, highly literate and young work force. The resulting position is a major challenge to all of us, especially at a time when the International Development Strategy for the Fourth United Nations Development Decade is being written.

The Government of Sri Lanka has undertaken two major and substantive programmes to alleviate the plight of the poor. The first is the Village Reawakening Programme, the aim of which is to provide 1.5 million new houses.

Some 80 per cent of our people live in rural areas and it is the improvement of the housing and sanitation in these villages rather than grandiose housing schemes in cities that will raise the living standards of ordinary people.

In parallel with our earlier pioneering improvements in health and education, this is Sri Lanka's contribution to the international effort to provide shelter for all by the year 2000. We expect also to ensure a supply of safe drinking water to all by the turn of the century.

The second initiative is the Janasaviya - meaning strengthening the people - programme, which aims at integrating the poor into the mainstream of productive activities and in the process helping them and the economy.

(Mr. Perera, Sri Lanka)

Janasaviya is not another welfare trap that leaves the poor as they were after a few years. It is a major programme of socio-economic restructuring. It will transform the population that hitherto subsisted on food stamps into a group of persons who, with their labour, ingenuity and enterprise will become self-reliant and contribute substantially to economic growth. To be sure, a part of the programme is to raise levels of nutrition for hungry and sick people and cannot be expected to be productive. The greater part of the expenditure will be to invest in small-scale enterprises owned and operated by these people. For this purpose their skills will be improved through education and training.

The entire Government machinery is involved in the implementation of this programme, which because of its scale and intensity is being implemented in stages. When completed the programme is expected to liberate from poverty a total of 7 million people, almost half our population.

It is an objective as noble as it is difficult of achievement, and the co-operation of the international community is a vital ingredient for its success.

Sri Lanka is reasonably optimistic that the new openness and fresh commitment of the international community will make such co-operation both larger in extent and more productive in effect. The positive change in the attitudes of some developed countries towards developing countries is encouraging.

Sri Lanka is gradually overcoming the difficulties that hindered progress during the last few years. Stability in all sectors is being restored. It is expected that rapid export-led industries will boost economic development in Sri Lanka.

Raising the quantity and productivity of both domestic and foreign investment will be a necessary part of this process. In particular, foreign investments bringing in capital, technology and managerial skills are of vital importance. All investments in the free trade zones are protected by provisions therefor in the

(Mr. Perera, Sri Lanka)

Constitution of Sri Lanka. The role of the Government will be to facilitate rather than regulate the functioning of the economy and industrial development projects. Foreign investment will be as rewarding as they are productive and competitive.

We expect that the endeavours to alleviate conditions of poverty will themselves be an important contribution to the protection and improvement of the physical environment.

Poverty has been a major cause of environmental damage. By the same token, investing in the human base of societies is a direct contribution itself to environmental soundness.

In order to co-ordinate and strengthen activities regarding the environment, a new portfolio of environment has been established and assigned to a Cabinet Minister.

Benefiting from our recent experiences, the Sri Lanka Government has taken steps to address itself to the special needs and problems and the place and role of women and youth in development. Any marginalization of these groups in the cause of development carries grave consequences.

The entire political, socio-economic and administrative structure of the country is being restructured and adjusted in order to restore discipline and raise efficiency and productivity. It is expected that the economy will grow by 5 to 6 per cent this year, provided there is no further disruption. By the end of this decade, we expect to double our per capita income in real terms.

I am sure that this Assembly will be pleased to learn that we have overcome the major difficulties that disrupted our economy in the recent past. The country and the economy are again stable and on the path of progress. Our national reserves have increased and we have met all foreign commitments, including the repayment of short-term borrowing. We are very grateful to the donor countries and multilateral agencies that have contributed to this process of adjustment. However,

(Mr. Perera, Sri Lanka)

my delegation wishes to emphasize the need, especially of the multilateral agencies, to be sensitive to the adverse impact of adjustment policies on vulnerable sectors of the population, that is, the poor sectors. It is necessary to take account of distinctive socio-economic and political conditions in individual countries before adjustment policy packages are recommended for developing countries.

We do value the assistance given to us by the donor countries and multilateral agencies, but what we require further is co-operation and assistance that will enable us efficiently and meaningfully to improve living conditions for the average person and participate in a multilateral system. What is essential today more than ever before is adjustment with equity for the maintenance of durable and stable economic development in a national economy that is subject to rapid and substantial change.

It is needless to reiterate that, in an interdependent world, rich and surplus countries must assist the growth of the deficit and heavily indebted countries, not only to restore them to economic health but also to strengthen global economic security.

As we are aware, the last decade, which did not bring about even economic growth globally, has already been labelled a lost decade. The reasons for this are well known and have been discussed at length in many international forums, including the United Nations. I therefore do not wish to be repetitive.

(Mr. Perera, Sri Lanka)

My delegation wishes to urge the international community to rededicate itself during this decade to doing all that is needed to revitalize economic growth in developing countries.

The goal of this special session should not be limited to the adoption of a declaration which could become merely another document produced by the United Nations. In fact, it should open up a new phase in the agenda of the international community where words are translated into concrete action. My delegation would like to see that materialize.

Before I conclude, I should like to state that the Sri Lanka delegation fully supports the views expressed by His Excellency Mr. Enrique Garcia, Minister of Planning and Co-ordination of Bolivia, when he addressed the Assembly in his capacity as Chairman of the Group of 77.

The PRESIDENT: We have thus concluded the general debate, which included consideration of agenda items 8 and 9.

ORGANIZATION OF WORK

The PRESIDENT: I should like to inform members that it will be necessary to hold one further plenary meeting of the General Assembly after the Ad Hoc Committee of the eighteenth special session has completed its work and the relevant document is available to the Assembly.

May I take it that it is the wish of the General Assembly to hold one more plenary meeting?

It was so decided.

The PRESIDENT: May I also take it that the Assembly authorizes me to convene that meeting at an appropriate time after the conclusion of the work of the Ad Hoc Committee, on the understanding that it will take place either later today or tomorrow?

It was so decided.

The meeting rose at 12 noon.