

ernmental Group on Grains. That Group and other bodies would discuss the considerations which had to be taken into account in reviewing stock policies, including the vulnerability of a particular country to floods or drought, normal annual needs for domestic use and export, the degree to which the country was dependent on imports in time of trouble, and pledges which Governments had made to WFP and other aid programmes. The question of stock policies lay at the core of efforts to establish a minimum level of world food security. The success of those efforts was essential if the world was to maintain safe levels of basic food supplies, so that consumption could continue to expand in the developing countries and year-to-year fluctuations, from whatever cause, could be offset.

65. The FAO Conference, through its Director-General, would take note of the observations made in

the General Assembly and the Second Committee concerning the food issue. The Director-General would be particularly grateful for comments regarding his plan for minimum world food security; he had taken particular note of the proposal by the United States Secretary of State (2124th plenary meeting) for a world food conference under the auspices of the United Nations in 1974. Expressions of support for that proposal and for the earlier suggestion made at the Algiers Conference indicated the importance Governments attached to the world food situation and the relationship between hunger and international stability. He reaffirmed the desire of FAO to contribute its specialized knowledge and experience to any effort to ensure adequate future world food supplies.

The meeting rose at 1.10 p.m.

1524th meeting

Thursday, 4 October 1973, at 4.35 p.m.

Chairman: Mr. Zewde GABRE-SELLASSIE (Ethiopia).

A/C.2/SR.1524

GENERAL DEBATE (*continued*)

1. Mr. HABIB (Syrian Arab Republic) said that, despite the action taken by some developed countries, the net aggregate transfer of financial resources from the developed market economy countries to the developing countries had remained below the target of 1 per cent of the gross national product (GNP) specified in the International Development Strategy of the Second United Nations Development Decade (General Assembly resolution 2626 (XXV)). Furthermore, the international financial institutions had not responded to the development needs as much as their resources and assets allowed. The annual rate of growth of the gross domestic product of the developing countries had declined during the first two years of the Second Decade and had not reached the annual average of 5.5 per cent recorded in the First Decade. That phenomenon affected the rate of capital accumulation, which was the only real measure of the rate of technological progress, the main variable in the determination of the gap between developed and developing countries. Implementation of the International Development Strategy should not be limited to encouragement and resolutions but should lead to actual co-operation whereby the means of progress, in other words technology and financial resources, would be supplied by the developed countries to the developing countries.

2. Technology was the most important element in the development process. Statistics showed that the flow of technology to developing countries had been limited. In fact, the relative trade position of the developed countries themselves was based on new technical discoveries; thus the developing countries should always strive for a regular transfer of technology and the acquisition of adequate knowledge for optimum adaptation.

3. International trade had not yet overcome the problems which had resulted from the crisis of two years

earlier. A new trade and payments system that would facilitate the implementation by the developing countries of their development plans, was urgently needed, for monetary stability stimulated progress in trade and vice versa. Furthermore, the exports of the developing countries suffered from the lack of markets in the developed countries and tariff barriers and pricing policy worked against them.

4. The recent changes in the world economic structure made it urgent not only to implement the targets and policy measures of the Strategy but also to broaden co-operation among developed and developing countries based on equitable and mutual benefit, in order to create an international socio-economic structure in which the difference between the poor and the rich countries would gradually disappear. In that connexion resolution 1818 (LV) of the Economic and Social Council, by which the Council had established the Economic Commission for Western Asia, was one of the most important resolutions adopted at the fifty-fifth session. That Commission would undoubtedly play a considerable role in planning the economic and social development of the area concerned.

5. Colonialism and foreign occupation were among the main reasons for under-development. The Zionist forces of aggression still occupied parts of three Arab States, including the Syrian Arab Republic. The Zionist authorities exploited the national resources of those countries and employed cheap manpower in the occupied Arab lands. The Zionist aggression had also resulted in the closure of the Suez Canal, which had adversely affected the Egyptian economy in particular, as well as that of a number of countries in East Africa and South-East Asia. Moreover, the Israeli occupation had compelled the Syrian Government to divert the country's financial, physical and human capital from development to defence. Consequently his delegation called upon all the developing countries to take united

action to eliminate all aspects of colonialism, racial discrimination and foreign occupation.

6. Starting from the principle that political freedom was worthless unless it was accompanied by economic freedom and that national independence was an empty word without economic independence, the Syrian Arab Republic exploited its natural resources by itself or in co-operation with its friends. It was willing to share with others its valuable experience in the completion of the Euphrates project, the exploitation of its petroleum resources and industrial expansion. The Syrian Government had placed increased emphasis on agriculture in its successive development plans. High priority had been given to the major irrigation project on the Euphrates, which was expected to double the area under irrigation in 1974.

7. Recently, the Syrian Arab Republic had been engaged in modernizing its economic and social structure. The third five-year development plan, for 1971-1975, was under way; in it priority was given to the industrial sector in order to create an effective industrial basis and to establish an interrelated and integrated relationship between the agricultural and the industrial sectors.

8. Mr. OGISO (Japan) said that the review and appraisal of the International Development Strategy provided a rather gloomy picture of the first biennial period. The GNP growth rates of the developing countries for 1971 and 1972 had been substantially lower than the target of 6 per cent and, although the growth rate for industrial production had been fairly satisfactory, the growth rate for agricultural production had been disappointing.

9. Some developing countries had made rapid progress but others continued to suffer from population pressure and low income. The least developed among the developing countries had shown no significant rise in real product growth during the first years of the Decade. The Committee for Development Planning had found no evidence of a change of income distribution, which was one of the major targets of the Strategy in those developing countries where a large segment of the population lived in extreme poverty.

10. The Japanese Government continued to carry out its responsibilities under the Strategy. The total flow of financial resources from Japan to the developing countries in 1972 had amounted to \$2,725 million, an increase of 27.3 per cent over 1971; that figure represented 0.93 per cent of the GNP. The volume of official development assistance amounted to \$611 million in 1972 while grants and contributions to multilateral agencies had totalled \$293 million, an increase of 51 per cent over the preceding year. Specific measures had been taken by the Government to increase untied loans. Technical assistance continued to expand and had totalled \$35.6 million in 1972, an increase of 29 per cent over the previous year. Finally, Japan was endeavouring to extend the scheme of preferences to a greater number of countries.

11. Japan's assistance to the World Bank group had been expanding rapidly in recent years. In 1972 Japan had paid \$700 million to IBRD and as a result total outstanding yen borrowings of the Bank had risen to about \$1,400 million, which amounted to 16 per cent of its total borrowings. Furthermore, Japan's share of the fourth replenishment of IDA would be raised substantially.

12. He said that in 1973 great steps had been taken towards the improvement of world trade. The growth of the world economy had been due in large measure to efforts to achieve free and non-discriminatory trade. It should also be pointed out that more and more attention was being given in the world community to the interests of the developing countries. Those considerations had been taken into account in the preparatory work for the forthcoming round of multilateral trade negotiations, the guidelines for which had been decided at the GATT ministerial meeting held at Tokyo from 12 to 14 September. In accordance with the declaration approved at that meeting, the negotiations were to be based on the principles of free trade, multilateralism, non-discrimination and mutual advantage. The developed countries were not, in principle, to expect reciprocity from the developing countries, which could therefore expect to secure additional benefits and a substantial increase in their foreign exchange earnings. The Secretary-General of UNCTAD was going to follow the negotiations.

13. His Government felt that tariffs should be substantially reduced with a view to their ultimate elimination. Non-tariff impediments should be reduced or eliminated to the maximum extent possible, multilateral safeguards should be appraised on the basis of non-discrimination and with a view to further promoting trade liberalization and preserving the results thereof. Finally, with respect to agricultural products, efforts should be made to create stable market conditions based on mutual benefits through co-operation between exporting and importing countries. His delegation thought that the Tokyo Declaration represented a sound basis for negotiations and hoped that as many countries as possible, including those not parties to GATT, would participate in the negotiations.

14. If the world economy was to continue to progress, it was essential to work out a satisfactory monetary system. As the representative of Japan had said at the joint annual meeting of IBRD and IMF at Nairobi (24-28 September), the new monetary system should basically serve to maintain and develop a collective world economy in which all countries might fully realize their potential for economic development. His delegation hoped that agreement could be reached on the link between SDRs and development finance. It hoped that the Committee of 20, on which the developing countries were represented, would continue to study that question and take due account of the need to maintain confidence in SDRs. His delegation took the opportunity to announce the withdrawal of the reservation which the Japanese Government had made on paragraph 52 of the International Development Strategy at the time of its adoption by the General Assembly.

15. The world economy was going through a period of transition. Many current problems could not be resolved through isolated efforts, and the number of factors involved argued in favour of broad co-operation. The same was true for the problem of natural resources and energy, which could only be resolved within the context of international co-operation between producer and consumer countries. It emerged from the work of the Committee on Natural Resources that a series of realistic measures were needed to ensure a more rational use of such resources, such as the measures recommended at the third session of the Committee and

endorsed by the Economic and Social Council at its fifty-fourth session, concerning long-term projections, on a world-wide scale, on the supply of and demand for natural resources, and the establishment of the United Nations revolving fund for natural resources exploration.

16. The importance of food in the rural development of developing countries could not be over-emphasized. It was now known that the low over-all growth rate in the early 1970s was due to poor agricultural production. The setbacks experienced in agriculture had historical causes, and his delegation hoped that remedial measures would soon be found. It had heard with interest the proposal made on 24 September by the Secretary of State of the United States at the 2124th plenary meeting on the convening of a world food conference in 1974. The development of production must be accompanied by stability of prices for agricultural products. In that connexion, he said that the Japanese Government had just completed the ratification procedure for the International Cocoa Agreement, 1972.

17. The question of the human environment had to be approached from a completely new point of view, as the United Nations had done. It was gratifying to note that action in that field had reached the stage of implementation after the first session of the Governing Council of UNEP (12-22 June 1973). His delegation hoped that UNEP activities would have the same outstanding results as the work of the United Nations Conference on the Human Environment. The implementation of environmental programmes was a significant advance; greater attention should be paid to the work of the Governing Council of UNEP.

18. Another serious problem for the whole international community was that of population pressure which was a handicap for development. The World Population Conference, to be held in August 1974 in Bucharest, was therefore extremely important. It was expected that a world population plan of action would be worked out at that Conference and would later be implemented by Governments at the national and international levels.

19. His delegation wished to emphasize the important role played by private foreign investment in the Second United Nations Development Decade, and considered that criteria should be drawn up to take account of the interests of both the investors and the country in which the investment was made. It welcomed Economic and Social Council resolution 1764 (LIV), whereby the Secretary-General was invited to continue to organize world-wide panels on private foreign investment. It also awaited with interest the conclusions of the Group of Eminent Persons to study the impact of multinational corporations on development and on international relations, in accordance with Council resolution 1721 (LIII).

20. The question of regional co-operation had drawn the special attention of the Japanese Government at the twenty-ninth session of ECAFE at Tokyo (11-23 April 1973); that body intended to increase regional co-operation efforts and reorganize its structure in order to be better adapted to the situation in Asia. His delegation wished to draw attention to the suggestions regarding the reorganization of ECAFE made in paragraphs 196 and 197 of the report of the Economic and Social Council (A/9003).

21. Considering that the true independence of States, mutual understanding among peoples and wide-ranging co-operation were the essential factors for establishing a lasting and just peace, his delegation welcomed two recent initiatives, one concerning the concept of collective economic security and the other the drawing up of a charter of the economic rights and duties of States. That charter should incorporate the ideals shared by all the countries concerned in a true spirit of co-operation and consensus. In that connexion, his delegation believed that the activities of the Economic and Social Council should be so arranged as to cover the widest possible range of problems and at the same time enable it to deal with developments in the world economic situation. The enlargement of the membership of the Council was of vital importance, and his delegation welcomed the entry into force of the amendment to Article 61 of the Charter of the United Nations.

22. The Japanese Government was particularly interested in the idea of the United Nations university and it was therefore with deep satisfaction that it noted that, in his report (A/9149), submitted under agenda item 52, the Secretary-General fully endorsed the draft Charter of the university and recommended that Japan's willingness to become the host Government for the university centre be seriously considered by the General Assembly. His Government was prepared to make a financial contribution of up to \$100 million, in five yearly instalments, to the endowment fund to be created for the university, subject to the university's meeting the expectations of the Japanese Government and subject to approval by the Japanese Diet.

23. The proposal to establish a United Nations revolving fund for natural resources exploration had been made at the first session of the Committee on Natural Resources in January 1971 as a way to step up exploration activities in developing countries in order to accelerate their economic development. That proposal had since been studied and discussed many times; the Committee on Natural Resources, at its second session, had decided in principle to set up the Fund, and the Administrator of UNDP had advocated that it should be administered by him under the authority of the UNDP Governing Council. In accordance with the request of the Committee on Natural Resources at its third session, the Economic and Social Council, in its resolution 1762 (LIV), had recommended to the General Assembly the establishment of the fund according to a set of basic principles and objectives included in that resolution. The principles might not perhaps be exhaustive or completely satisfactory, but they were the result of intensive talks and probably embodied the best compromise possible. In particular, his delegation supported the wording of the repayment clause in paragraph 1 (i) of resolution 1762 (LIV). His delegation considered that that paragraph did not in any way provide for the fixing of an arbitrary ceiling for the amount of repayment, which might endanger the revolving character of the fund and would limit it to low-investment, high-return projects. His delegation considered that the wording of subparagraph (i) ensured the revolving nature of the Fund. The governing body of the fund should establish appropriate criteria for the total sum to be repaid, and his delegation was ready to make available Japanese experience in the exploration of natural resources.

24. The fund was one of the best examples of the principle of self-help laid down in the Strategy, and it was encouraging to see that the developing countries intended to share among themselves the benefit of discoveries. On the assumption that the fund would be established in line with the Economic and Social Council recommendation, his Government was planning to provide for a contribution to the fund in its draft budget for 1974. It was to be hoped that the Administrator of UNDP, in consultation with the Secretary-General, would start the activities of the fund as soon as possible and establish the practical criteria for its operation in accordance with the basic principles laid down in the Council resolution. IBRD and the regional development banks should be invited to participate in the activities of the fund and also, therefore, in working out the criteria. Perhaps the Secretary-General could consider the possibility of organizing an annual pledging conference for the fund. His delegation strongly recommended that the Second Committee should decide to establish the revolving fund in accordance with the recommendations of the Economic and Social Council.

25. Mr. PANYARACHUN (Thailand) said that during the past year the economic growth rate of developing countries had been grossly inadequate and that the first review and appraisal of the International Development Strategy had revealed a bleak picture. The growth rate in his country for 1972 had been no more than 3.9 per cent, i.e., more or less half of the average growth rate for the previous Decade, mainly because of unfavourable weather and currency realignments. The growth rate in his country for 1973 should amount to roughly 7 per cent owing to soaring commodity prices on the world market. However, that increase would not be enough to offset the effects of world monetary disorder and the increase in the cost of industrial goods bought on the world market. His delegation considered that the Committee should focus its attention on how a reasonable level of prices of agricultural food products and commodities could be maintained; that would help to attenuate the current food shortage, inasmuch as producer countries would be encouraged to increase their output.

26. Although there were several factors hampering increased agricultural production, many stemmed from the actions of developed countries. Some developed countries gave subsidies to agriculture, thus introducing an element of competition unfair to the developing countries. The developed countries should also see to it that the manner in which they disposed of their production surplus did not adversely affect the trade and economy of developing countries and did not bring about a fall in the prices of agricultural products on the world market.

27. The developing countries also suffered from the rapid expansion of the synthetic products industry, for example the synthetic rubber industry. Without seeking to stop that production, his delegation would like to see measures taken to ensure that the growth of the industry did not unnecessarily jeopardize the economies of the countries which produced natural rubber.

28. In addition, the export trade of developing countries was dependent on foreign shipping companies. It was not uncommon to find that freight rates were exorbitant and discriminatory and in some cases rep-

resented 50 per cent of the cost of certain products. The developing countries, whose share of the world merchant fleet was less than 10 per cent, thus found themselves in a position of weakness in negotiating with shipping conferences either for admission into such bodies or for a reduction in the freight rates which they fixed unilaterally. The profits which the developing countries had derived from the increase in the prices of raw materials had thus been largely absorbed by the shipping companies of the developed countries. The Government of Thailand therefore attached the greatest importance to the early adoption of a legally binding international instrument and a universally acceptable code of conduct for liner conferences. Liner conferences must reduce or abandon their monopolistic structure and practices and replace them with co-operation based on equal partnership.

29. If the developing countries were to continue to benefit from the increase in the prices of raw materials, the developed countries must remove the barriers to and restrictions on, the import of products from developing countries. He was glad to note that some countries had already applied tariff preferences in favour of the less developed countries. In multilateral trade negotiations, a new system based on the principle of preferential treatment, non-reciprocity and non-discrimination must be adopted.

30. In view of the importance of agriculture to the Thai economy, his delegation was greatly interested in the United States proposal that a world food conference should be convened under the auspices of the United Nations in 1974.

31. It had often been said that too rapid population growth could have detrimental effects on economic and social progress. Thailand, which had had a population growth rate of 3 per cent for several years, had taken measures to reduce the growth rate to 2.5 per cent by 1976. In that connexion, his delegation wished to express deep appreciation to the United Nations Fund for Population Activities for its valuable assistance and to announce that the Thai Government had decided to make a contribution in local currency equivalent to \$40,000 to the Fund in 1974.

32. His delegation awaited with interest the results of the study on multinational corporations being carried out by the Group of Eminent Persons appointed in accordance with Economic and Social Council resolution 1721 (LIII). His country sought to encourage joint enterprises in which a majority share was held locally. The developing countries might also seek to attract medium-size companies which had not before invested abroad.

33. Because of the inadequate transfer of financial resources to the developing countries, those countries had had to resort increasingly to commercial loans, which had the effect of increasing their external debt burden and slowing down their economic and social progress.

34. His delegation was greatly interested in the discussions concerning the concept of collective economic security and felt that vigorous efforts should be made to achieve an equitable and balanced pattern of development in the world, with universal well-being as its measure of success.

35. Thailand, which had never been a member of the Economic and Social Council, welcomed the imminent entry into force of the amendment to Article 61 of the Charter; the enlargement of the Council's membership would thus enable a larger number of States, elected on the basis of equitable geographical distribution, to participate in the consideration of the many complex questions with which the Council had to deal and which were of interest to all Member States, large and small.

36. Mr. CZARKOWSKI (Poland) said that the United Nations had an obligation to create conditions favourable to international economic co-operation, since the improvement in the standard of living of future generations depended on it. Moreover, international economic co-operation was closely linked to the political situation in the world and any favourable developments in the one had repercussions on the other. Thus, the process of political *détente* which had been evident in the world for the past two years had been accompanied by a strengthening of economic co-operation among States, in particular with the developing countries. The tragic events which had just occurred in Chile showed, however, that the imperialist forces did not hesitate to use any means to defend their interests. His delegation, like others, believed that the economic organs of the United Nations had not done everything they should have done to help Chile to resist the pressures to which it had been subjected.

37. He thought, however, that the principles on which international co-operation was based and which had been worked out in the 1940s were now largely outmoded and that, in many cases, their application led to extremely critical situations. The Minister for Foreign Affairs of Poland, speaking in the General Assembly on 27 September (2130th plenary meeting), had enumerated a number of the disadvantages of the current system of co-operation: the adverse effects of the current monetary crisis on the trade of all countries, in particular the developing countries; the absence of effective principles to enable the developing countries to occupy their rightful place in the international division of labour; the unfair and often discriminatory attitude of the highly developed countries with regard to trade with the socialist countries; the ineffective application of the principles which should stimulate the expansion of scientific and technological collaboration and industrial co-operation; the unstable situation in the raw materials market, due to the absence of relevant international agreements; and, lastly, the increasingly important role of international corporations which constantly increased their profits while depriving the developing countries of income which was theirs.

38. If all countries sought to resolve those questions, they would be genuinely helping to accelerate the process of international economic co-operation and improve the lot of the developing countries. Several steps had already been taken in that direction. For instance, negotiations had been undertaken with a view to elaborating a charter of the economic rights and duties of States and Poland was participating actively in the work of the working group which was preparing the draft charter. Other negotiations were taking place on the reform of the international monetary system, and a series of multilateral negotiations, in which Poland was also participating, was currently taking place within GATT with a view to liberalizing international trade.

39. The new principles governing international co-operation should take into account the legitimate interests of all countries, and in particular those of the developing countries which had had no opportunity to participate in the establishment of the current system of the international division of labour.

40. The United Nations had an important role to play in the elaboration of new principles of international co-operation which would take into account the changes in the contemporary world. It was in that spirit that the socialist countries had proposed at the twenty-seventh session of the General Assembly a draft statement on promoting the development of co-operation in economic, trade, scientific and technological matters.¹ The adoption of that draft statement would help to put international co-operation on a basis of equality and mutual advantage and would create conditions favourable to the continuous expansion of such co-operation.

41. He emphasized the importance which his country attached to the improvement of the principles which would stimulate international economic co-operation. The new social and economic development strategy being applied in Poland provided for rapid growth both in industrial and agricultural production and in the income of the people. Poland's objective was to take its proper place in the system of international division of labour. Apart from the very close relations which it maintained with the other socialist countries, Poland wished to develop its economic ties with all other countries in the world, in particular, with the developing countries. Poland's co-operation with those countries could certainly be expanded further, and by making efforts in that direction Poland would be helping to attain the objectives of the Second United Nations Development Decade. Poland maintained trade relations with practically all the developing countries and had signed trade agreements with 42 of them. He thought that trade between Poland and developing countries might triple by 1980, particularly through the implementation of the concept of an international partial division of labour proposed by the socialist countries. Poland was at present implementing agreements concluded along those lines with Egypt, India and Algeria. That was a form of co-operation which added an element of stabilization to trade and stimulated the development of co-operation in other fields as well. Poland was ready to enter into consultations with any State interested in concluding agreements entailing the partial division of labour.

42. Mutual co-ordination of economic development plans would make it possible to increase trade with developing countries. Such co-ordination might, for example, lead Poland to restrict the production of certain commodities and replace them by products imported exclusively from developing countries. In the case of countries which did not have long-term economic development plans, he thought the best solution would be the conclusion with them of long-term trade agreements and agreements on co-operation in science and technology.

43. Poland was also prepared to enter into negotiations on long-term contracts covering deliveries of specific primary products which constituted an important part of the exports of developing countries. In or-

¹ A/C.2/L.1253. See *Official Records of the General Assembly, Twenty-seventh Session, Annexes*, agenda item 12, document A/8963, para. 38.

der to encourage the economic growth of those countries, his Government intended to increase the volume of long-term credits granted to them so as to enable them to expand their output of raw materials. Such credits could be repaid in raw materials or in other commodities. Moreover, his Government was in a position to send a larger number of specialists than in the past to the developing countries to engage in prospecting.

44. It was essential for the developing countries to change their structure of production and export more manufactured goods. Poland was encouraging that effort by importing such goods in growing quantities. It was always ready to enter into consultations and negotiations with those countries, with a view to helping them build their own key industries and start the production of commodities which were increasingly in demand in the Polish market. Part of the output of such industries could be used to repay the credits granted by the Polish Government. The expansion of industrial co-operation brought with it an element of stability in trade and facilitated the transfer of technology. The setting up of joint enterprises, in particular joint stock companies, was an essential factor in accelerating industrial co-operation.

45. In accordance with the request made to them by the developing countries, the States members of CMEA had taken appropriate steps to "multilateralize" settlements on the basis of the transferable rouble. Poland was ready to discontinue clearing settlements in favour of settlements in transferable currencies because the latter system would accelerate the development of mutually advantageous exchanges.

46. Poland intended to extend assistance to the developing countries, commensurate with its capabilities, by increasing the number of long-term loans at low interest, the number of personnel training programmes to meet the needs of the economies of the various countries and the participation of Polish specialists in the expansion of specific industrial branches and the building of social and economic infrastructures; by exploring ways of granting aid aimed at developing and strengthening shipbuilding industries; by making available to developing countries the services of a larger number of Polish scientific research institutions; by organizing permanent exchanges of information in the scientific, technical and industrial fields; by offering continued assistance and co-operation in the framework of the United Nations system, in particular through voluntary contributions to UNDP, UNIDO and IAEA; by organizing various seminars, symposia and other international conferences dealing with the solution of problems of special interest to the developing countries; and, finally, by offering the developing countries assistance in drawing up their economic development plans and programmes.

47. His Government had followed with interest the proceedings of the Conference of Heads of State or Government of Non-Aligned Countries, held at Algiers (5-9 September 1973), and felt that it had given rise to a number of proposals which deserved careful consideration. He also drew attention to the important statement made on 25 September by the Minister for Foreign Affairs of the Soviet Union (2126th plenary meeting) concerning the reduction of the military budgets of States permanent members of the Security

Council by 10 per cent and the utilization of part of the funds thus saved to provide assistance to the developing countries. That was a very concrete proposal the implementation of which would be conducive to the further relaxation of international tensions and would make a positive contribution to the comprehensive development effort of the developing countries.

48. In conclusion, he said that, important as international co-operation was, it could not take the place of the efforts which the developing countries themselves should make to mobilize their internal resources and institute social and economic reforms.

49. Mr. BA-ISA (Democratic Yemen) welcomed the new members of the Second Committee, particularly the German Democratic Republic, with which his country had the most friendly and cordial relations. He thanked the German Democratic Republic for the assistance it was giving to the developing countries, including assistance to the national liberation movements.

50. He shared the views expressed by the representatives of many developing countries but he continued to hope, despite the disappointments experienced over the past few years in the field of development, that the situation would improve in the future. As the Under-Secretary-General for Economic and Social Affairs had observed at the 1516th meeting, the current *détente* should not give rise to over-optimism. Indeed, the prospects seemed quite gloomy. The economic situation of the developing countries was continuing to deteriorate and the gap between them and the developing countries was still widening. The drought which had afflicted the Sahelian region of Africa had further aggravated the situation.

51. Thus the developing countries could no longer confine themselves to drawing attention to their grievances. His delegation was firmly convinced that international assistance to the developing countries must be accompanied by self-reliance. It was in that spirit that the Government of Democratic Yemen, supported by the people, had been striving to build a socialist society which would improve the quality of life of all its citizens and provide them with adequate employment, education, housing and nutrition. Democratic Yemen was vigorously pursuing efforts aimed at agrarian reform and the establishment of a public sector. As a young State which had until recently been subjected to the colonialist yoke, it did not have all the resources needed to solve the enormous problems with which it was confronted. The attitude of the Israelis, which was preventing the reopening of the Suez Canal, added to his country's burdens. In addition, Democratic Yemen was the target of continuing reactionary and imperialist aggression aimed at overthrowing the revolutionary Government, either directly by military action or indirectly by strangling the economy, and that situation obliged the Government to impose a wide range of austerity measures.

52. The first triennial development plan was approaching its conclusion and the assessment of the results of that experiment would help improve techniques for the formulation and implementation of the second development plan, which was currently under preparation and would cover a period of five years. Democratic Yemen's need for foreign aid was greater than ever. For that reason his delegation did not share the view of those who claimed that the time was not yet ripe for

revision of the list of the 25 least developed of the developing countries.² It had been on the basis of obsolete data that Democratic Yemen had been excluded from that list and he earnestly hoped that the list would soon be revised.

53. His delegation strongly supported Economic and Social Council resolution 1818 (LV) establishing an Economic Commission for Western Asia which would replace the United Nations Economic and Social Office in Beirut. That Office had shown that it was not adequate to cope with its enormous task of stimulating economic and social development in the region.

54. With regard to the International Development Strategy, other delegations had adequately described the disappointing results achieved so far. He wished

² See *Official Records of the Economic and Social Council, Fifty-first Session, Supplement No. 7*, para. 66.

only to emphasize the responsibilities incumbent on the majority of the market-economy industrialized countries, whose contributions lagged far behind the anticipated target. He supported the suggestion that a specified percentage of the military expenditure of the industrialized countries should be allocated to economic and social development in the developing countries. Finally, he said that his delegation was likewise concerned at the activities of multinational corporations which were retarding the progress and development of the countries where they operated; moreover, to protect their interest those companies even went so far as to usurp the political authority of the Governments of the countries in question and threaten the liberties and the lives of ordinary citizens. That was strikingly illustrated by the events which were taking place in Chile.

The meeting rose at 6.25 p.m.

1525th meeting

Friday, 5 October 1973, at 12.05 p.m.

Chairman: Mr. Zewde GABRE-SELLASSIE (Ethiopia).

A/C.2/SR.1525

GENERAL DEBATE (*continued*)

1. Mr. FONSECA MARTINEZ (Colombia) said that his delegation endorsed many of the observations made by the Under-Secretary-General for Economic and Social Affairs in his introductory statement at the 1516th meeting. In view of the increasingly important work of the Economic and Social Council, his delegation had welcomed the ratification of the amendment to Article 61 of the Charter of the United Nations, which had strengthened the Council and would enable it to discharge its work more effectively in the future. However, improvements in the internal machinery of the United Nations could by no means make up for the lack of political will on the part of the industrialized countries to eliminate the problems of under-development. Accordingly, his delegation was pessimistic with regard to the international economic outlook.

2. Under-development and marginality affecting populations would persist unless far-reaching industrial development plans were implemented and economic and social infrastructures were improved. To that end, the developing countries had to increase their export capacity and develop potential wealth which could be distributed among the poorer segments of society in the form of wages and assistance to education, health and housing. The revolution of rising expectations in the third world countries necessitated a redistribution of international trade which would give the exports from those countries greater access to world markets. The right of the developing countries to retrieve the riches which they had relinquished in colonial contracts, thereby exercising their own sovereignty, must be acknowledged. Political peace and international security were meaningless without economic and social peace.

3. Despite the failure of the First United Nations Development Decade, Colombia had optimistically taken

part in the preparation of the International Development Strategy for the Second Decade (General Assembly resolution 2626 (XXV)). Although the goals and objectives did not correspond to the desires of the developing countries and were in part conservative, his country had supported the Strategy on the understanding that developing and industrialized countries alike were aware of the threat of world crisis posed by the immense gap between poor and rich nations and that the new Strategy offered some hope. However, the results attained during the three years since the launching of the Strategy were disappointing. The situation of the developing countries had deteriorated, and their efforts had been overwhelmed by the financial crisis affecting the industrialized countries. The arms race continued to consume vast resources which should have been used for development, and despite the *détente*, new dangers loomed ahead for the poorer countries.

4. The average annual rate of growth of the gross domestic product of the developing countries, as well as the rate of growth of *per capita* gross domestic product, had decreased during the past three years, and the situation had deteriorated with respect to agriculture, the conditions of world trade, prices, exports from developing countries and the volume of government and multilateral international assistance. Furthermore, the deficit in the external debt of the developing countries had increased, and those countries were bearing a major share of the burden of the international monetary crisis caused by the industrialized countries or their agents. Once more, the poorer countries sat by as witnesses to the major decisions which affected their very existence. Economic and social progress was the common and shared responsibility of all mankind, as stated in the preamble to the Strategy. The forthcoming trade and monetary negotiations would be decisive for peace.