



SECOND COMMITTEE  
43rd meeting  
held on  
Thursday, 17 November 1983  
at 10 a.m.  
New York

**SUMMARY RECORD OF THE 43RD MEETING**

Chairman: Mr. GIBSON (New Zealand)

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The meeting was called to order at 10.35 a.m.

AGENDA ITEM 78: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued) (A/38/3 (Parts I and II), A/38/57, 68, 106, 132 and Corr. 1 and 2, 168, 186 and Corr. 1, 209, 302, 303, 324, 325, 329, 425, 479, 494, 495, 529, 537; A/C.2/38/3, 5 and 6)

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1. Mr. ALEGRETT (Latin American Economic System) said that Latin America, after satisfactory growth in the 1970s, had suffered in recent years from the combined effects of the fall in world demand, the growth of protectionism in its traditional export markets, a fall in the prices of its main export commodities and a worsening of conditions in international capital markets. The countries of the region had been obliged to take their own countermeasures which were having a destabilizing effect on the socio-economic climate and were reducing their ability to cope with the crisis. By its very nature and dimensions, that crisis called for multilaterally agreed and co-ordinated measures. In that respect the countries of Latin America had shown many times over that they were ready for dialogue and understanding, as witness their participation at the end of 1982 in the ministerial meeting of the General Agreement on Tariffs and Trade (GATT), and the initiation at regional level of the process of consultations and co-ordination regarding the items to be discussed at the sixth session of the United Nations Conference on Trade and Development (UNCTAD) where, together with the other developing countries, they had put forward what had become known as the Buenos Aires Platform, a series of measures designed to assist economic recovery and development. However, the results of those efforts and of other attempts by the developing countries to launch a process of global negotiations aimed at a complete restructuring of international economic relations had been disappointing.

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(Mr. Alegrett)

2. Latin America was preparing to meet the crisis by increasing regional co-operation and integration; that was what lay behind the initiative of Mr. Oswaldo Hurtado, President of Ecuador, when at the beginning of 1983 he had asked the Latin American Economic System and the Economic Commission for Latin America (ECLA) to prepare a system of measures which might constitute a Latin American programme of action to deal with the crisis. Those proposals, to be considered at the Latin American Economic Conference in Quito in January 1984, were intended to stimulate trade among Latin American countries by putting in place mechanisms which would stop any new burdens and restrictions being placed on mutual trade and would guarantee preferential conditions for intraregional imports; to increase Latin American co-operation in monetary and financial matters by extending to all countries in the region the existing subregional reciprocal payments and credit mechanisms and by incorporating credit instruments or means of payment; and to upgrade the Latin American countries' capacity to negotiate their financial problems, particularly external indebtedness, by setting up a regional mechanism for the exchange of information and experience in renegotiation and by adopting a co-ordinated conceptual framework to guide the countries of the region in the negotiation and settlement of external debt.

3. With regard to the external indebtedness of the Latin American countries, he pointed out that, when conditions in the capital markets had changed and the world economic recession had begun to bite, those countries had been obliged to step up their internal adjustment measures in a climate which was becoming more and more difficult. The traditional debt renegotiation processes had been inadequate and had become far too burdensome for the debtors, whose new resources in the form of loans barely sufficed to cover interest payments, so that the flow of resources into the region had declined drastically.

4. Such a situation could not be maintained, and the Latin American Economic System had called for an equitable solution to the problem of external indebtedness taking into account the interests of all parties and reconciling the need to service the external debt with the development needs and targets of the debtor countries.

5. The countries of Central America were passing through a critical period; their basic economic problems and their shaky political stability called for a decisive gesture of solidarity and co-operation, and the States members of the Latin American Economic System had therefore decided to set up an action committee for economic and social co-operation in Central America which deserved the strongest support on the part of the international community.

6. Mrs. NJIE (Gambia) said that the grave economic difficulties of the developing countries made the launching of global negotiations more urgent than ever. There had been little progress since the adoption of the International Development Strategy, and it was to be hoped that the first overall review and appraisal of the implementation of the Strategy would open the eyes of the international community to the need to adopt comprehensive policy measures and reforms aimed at reversing the setbacks experienced in the first three years of the Decade.

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(Mrs. Njie, Gambia)

7. As the President of the Gambia had said in his address to the General Assembly at its thirty-third session, the developed countries dictated conditions to the exporters of raw materials, setting the prices of imports and exports and thus condemning the exporting countries to a poverty trap from which escape was possible only through concerted international effort. To the disastrous decline in basic commodity prices had been added other factors such as protectionism, monetary instability and the absence of structural adjustments, and those had greatly contributed to the stagnation of world trade and the deceleration of economic growth. It was therefore regrettable that, while the international trading system was in a critical state, the parties to GATT, which had been designed to avoid a repetition of the chaotic situation of the 1930s, made no attempt to apply its rules. In her delegation's view, protectionism was not so much a consequence of the recession as the cause of it because, by reducing pressures for adjustment to new conditions and by discouraging investment, it was inhibiting the return of economic growth.

8. The developing countries had hoped that agreement would be reached at the sixth session of UNCTAD on a programme which would revive the world economy and set it on the path of sustained development. Their expectations had been disappointed but she hoped that the decisions reached and the commitments made at UNCTAD on, inter alia, the Common Fund and the least developed countries would be implemented. The process of signing and ratifying the Agreement Establishing the Common Fund should be speeded up so that it could come into effect on the proposed date. It was also important to overcome the lack of progress in the negotiations on individual commodities.

9. Owing to their debt-servicing obligations and the internal strains caused by mounting unemployment, some developing countries were in constant danger of economic and financial collapse, and urgent measures were needed to ease their liquidity problems. There had been many proposals for a substantial allocation of special drawing rights as a possible solution to the liquidity problem, but unfortunately, at the last meeting of the Interim Committee of IMF, no action had been taken in that regard. As they stood, the conditions governing stand-by arrangements lacked flexibility, were restrictive and did not address the major macroeconomic problems of the countries they were supposed to benefit. It was to be hoped that all the parties concerned would react favourably to the proposal of the Seventh Conference of Heads of State or Government of Non-Aligned Countries and of the recent Ministerial Meeting of the Group of 77 to convene a conference to devise a fairer international monetary, financial and trading system, and that they would also approve the short-term measures proposed.

10. In connection with the Substantial New Programme of Action adopted at the 1981 Paris Conference in recognition of the grim plight of the least developed countries, she recalled that, despite the commitment of all concerned to the Programme, the general economic situation of the least developed countries had deteriorated further in recent years and the standard of living of their peoples continued to be very low. Her delegation reiterated the appeal addressed to the international community in UNCTAD resolution 142 (VI) to allocate 0.15 per cent of their GNP as official development assistance (ODA) to the least developed countries or to double their ODA to those countries by 1985. It was also very important to implement the

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(Mrs. Njie, Gambia)

recommendation of the Trade and Development Board that all outstanding bilateral ODA loans to the least developed countries should be converted into grants. In addition, she urged the donor countries to contribute generously to the multilateral development institutions, which played a crucial role in implementing the Substantial New Programme of Action.

11. Her delegation, which was in favour of giving priority to economic and technical co-operation among developing countries, noted with satisfaction the progress made towards implementing the Caracas and Buenos Aires programmes of action, which would help to strengthen solidarity and collective self-reliance among the developing countries. It was to be hoped that, as recommended, UNCTAD would be able to assist in carrying out negotiations on the establishment of the global system of trade preferences among developing countries. She emphasized that economic and technical co-operation among developing countries was a supplement to the North-South dialogue and formed an integral part of the efforts that the developing countries were deploying on a daily basis to establish a new international economic order.

12. Mr. BARROS (Uruguay) stressed the seriousness of the world economic crisis and the importance of arriving at agreements that would encourage economic recovery. Although no results of real importance had been achieved at the sixth session of UNCTAD, resolution 159 (VI) adopted by consensus was an important preliminary, since the developed countries thereby undertook to institute practical measures to alleviate the damage caused by trade practices that were in violation of international agreements. He proposed that the decision of UNCTAD should be evaluated at the current session of the General Assembly and a resolution adopted endorsing the conclusions of the Belgrade Conference and providing specific measures for its implementation.

13. His delegation believed it was vital to reach agreements that would abolish protectionist measures, eliminate tariff and non-tariff barriers and rule out safeguard clauses and restrictive business practices, together with any other measures that impeded international trade. The liberalization of international trade would put the developing countries in a better position to amortize their foreign debt, the magnitude of which constituted the most serious threat to the stability of the international financial system. Special attention should also be paid to commodity trade, since the few agreements concluded in that field as part of the UNCTAD Integrated Programme had been ignored in practice. Uruguay was suffering from the consequences of the restrictions on trade in agricultural products, which created non-exportable food surpluses.

14. At the current session, the General Assembly should endorse the conclusions of UNCTAD resolution 159 (VI) and should urge the Trade and Development Board to encourage the negotiations on protectionism and structural adjustment and to examine the international trading system with a view to the formulation of principles and policies that would strengthen the machinery governing international trade and make it more equitable. Those negotiations should be supplemented by measures that were in accordance with the integrated approach presented in the Buenos Aires Platform and endorsed by the Ministerial Declaration of the Group of 77.

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15. Mr. MANGOUTA (Congo) said that his delegation subscribed to the aims set out in the International Development Strategy, the implementation of which was threatened by the international economic crisis caused by the structural imbalances in the existing order and made worse by the deterioration in international economic relations. It also welcomed the review and appraisal of the Strategy to be carried out in 1984, which would make it possible to formulate the necessary adjustment measures.

16. He regretted the impasse in the global negotiations and endorsed the idea that the negotiations should be relaunched in two stages, the first devoted to the recovery of the world economy and the restoration of development in the third world, and the second to the structural reforms needed to bring about a lasting and sustained expansion of the world economy.

17. The international monetary and financial system was already out of step with current needs and needed to be completely reformed. The external indebtedness of the developing countries had reached excessive levels and was absorbing more than a quarter of their total export earnings.

18. The colossal sums spent on the arms race contrasted sharply with the poverty suffered by two thirds of the world's population, and the pressing need for multilateral aid was in glaring contrast to the appreciable decline in the resources allocated for that purpose. Those and other actions of the capitalist countries were threatening to produce new trade tensions.

19. He appealed to those developed countries which had not yet ratified the Agreement Establishing the Common Fund for Commodities to do so as soon as possible. Only fruitful international co-operation would make it possible to increase international trade and maintain world debt at a reasonable level. In that connection, an international conference on the monetary and financial system should be organized to mobilize resources for investment in key sectors.

20. At a time when the machinery for international economic co-operation was paralysed by purely procedural questions, economic co-operation among the developing countries was particularly important; it was, moreover, in keeping with the desire for a new international economic order and was complementary to the North-South dialogue. The Congo reaffirmed its support for economic and technical co-operation among developing countries, the purposes of which included the utilization of economic complementarity in order to foster self-reliance, the enhancement of the negotiating capacity of the developing countries, and the restructuring of international economic relations through improvement of the developing countries' economic situation.

21. His delegation attached great importance to strengthening the scientific and technical capacity of the developing countries and greatly appreciated the work done by the Centre for Science and Technology for Development. Priority should be given to reinforcing the national co-ordinating centres and encouraging appropriate policies at the regional and national levels. After the consensus arrived at in Vienna in 1979, the Congo had welcomed the long-term financial and institutional arrangements for the United Nations Financing System for Science and Technology for

(Mr. Mangouta, Congo)

Development. Nevertheless, \$300 million distributed over three years was hardly significant in the light of the growing gap between the existing technological level and what was required to satisfy the needs of the developing countries.

22. Mr. TEP (Democratic Kampuchea) said that the goals and objectives of the International Development Strategy still remained for the most part a dead letter. It was not even possible to say that the threat of a collapse of the international financial system had disappeared or that the world economy was moving in the direction of stable growth. Despite some progress, the economic situation of the developing countries was extremely difficult and was being aggravated by the persistent adoption of policies not in accord with the Strategy by the developed countries. Since the depression of the 1930s, the gap between the developed and developing countries had never been as wide as in 1983 and it made the third world more dependent on and more vulnerable to negative trends.

23. Although there was more talk of interdependence than ever before, global negotiations had still not begun. It would be possible to solve the economic crisis only by restructuring international economic relations and by world-wide development which were the main objectives of global negotiations. His delegation appealed to all developed countries to respond positively to the proposals submitted by the spokesman of the developing countries, the Chairman of the Group of 77. Encouraged by political victories in their struggle for national liberation, the developing countries were making great efforts to achieve the objectives of the Strategy. General Assembly resolution 37/202, on the review and appraisal of the implementation of the International Development Strategy, would provide them with the opportunity to make quantitative adjustments and propose appropriate corrective measures. Kampuchea, despite its serious difficulties, would co-operate actively with other developing countries to achieve the set objectives and was convinced that the developed countries would do what was needed to avoid a repetition of the sad experience of the Second United Nations Development Decade. It was possible to gain a better understanding, from the meetings of ministers and groups of experts from the countries of the Group of 77, of the needs of each group of countries and thus to be in a stronger position to negotiate with a view to achieving the objectives of the Strategy and establishing a new international economic order. Global negotiations, however, were not the only way to solve economic problems: economic co-operation and closer relations among developing countries were essential if structural changes in the world economy were to be introduced.

24. The brutal aggression and illegal occupation of Kampuchea by Vietnamese troops and the violation of the inalienable right to self-determination of the people of Kampuchea not only defied the norms and principles governing international relations and the Charter of Economic Rights and Duties of States, they also constituted a serious impediment to the achievement of the objectives of the Strategy. The presence of 200,000 Vietnamese troops was preventing action for the social and economic development of the country. The policy of the "vietnamization" of Kampuchea was being pursued in the context of a devastating war. Reacting to the resistance they were facing internationally and within the country, the Vietnamese authorities were assaulting the civilian population and forcing them to leave their country and seek refuge in Thailand. It was impossible to establish a

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(Mr. Tep, Democratic Kampuchea)

new international economic order if the expansionist Vietnamese forces continued to impose the law of the jungle and spurned the principles of the Charter. Development and progress could take place only in a climate of peace. The people of Kampuchea were continuing to fight, because only a military and political upset could persuade the Hanoi expansionists to withdraw from the country. The international community was supporting that struggle, in which not only the survival of a people was at stake but also the defence of the principles of the Charter and the elimination of all obstacles to implementation of the Strategy. More military, political, economic and financial pressure had to be brought to bear upon the Socialist Republic of Viet Nam to compel it to accept the relevant resolutions adopted by the General Assembly over the past five years.

25. Mr. KOBAYASHI (Japan) said that the review and appraisal of the International Development Strategy, if well prepared and organized, with all Member States and concerned organizations co-operating, would contribute greatly to international co-operation for development. The success of the process would depend, in the first place, on the quality of the documents prepared by the Secretariat, which should take into account the results achieved at the regional and sectoral levels, the areas in which successes or failures had occurred and the reasons why they occurred.

26. In the preparations for and the actual review and appraisal of the International Development Strategy, moreover, the following factors should be considered: the efforts of the international community and in particular the developing countries, to promote co-operation for development; the degree to which the developing countries were implementing effective domestic policies; and the current state of the world economy especially as it related to development. The importance of the private sector should also not be forgotten, for it took part in development activities by direct investment, job creation and the transfer of technology. It was to be hoped that the socialist developed countries would submit more detailed data on their economic assistance to provide a complete picture of the development efforts of the developed world.

27. UNCTAD VI, despite its modest results, had contributed significantly to the North-South dialogue and had reached agreement on important financial, tariff, monetary and development issues, which should be consolidated through further dialogue.

28. It was unfortunate that the Agreement Establishing the Common Fund for Commodities had still not entered into force, for it was one of the major achievements of the North-South dialogue. On the other hand, the establishment of the Expert Group on the Compensatory Financing of Export Earnings Shortfalls was welcome. It was also a positive development that the developing countries were proposing to promote collective self-reliance through economic and technical co-operation among themselves.

29. The adoption of the Substantial New Programme of Action and the corresponding resolution of UNCTAD were proof of the urgent need to assist the least developed countries. In 1982, Japan had increased its official development assistance to those countries by 60 per cent over 1981.

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(Mr. Kobayashi, Japan)

30. Despite the signs of recovery in some industrialized countries, there still remained many problems to resolve if world trade was to expand and the world economy to be revitalized. Reversing the current protectionist trend should be a major objective. He urged all the countries concerned to join in the preparations being made by Japan and the United States for the new round of multinational trade negotiations for consolidating the free trade system and renewing confidence in the world economy. The negotiations should take account, among other things, of the results of the GATT ministerial meeting.

31. Mr. NANDOE (Suriname) said that the recovery under way in certain industrialized countries could not be expected to solve the problems of all other countries and hence it was important to adopt a set of international measures spurring rapid acceleration of growth in the developing countries. On the other hand, the recent decline in interest rates and inflation in some developed countries was welcome.

32. His delegation regretted that the sixth session of UNCTAD had not managed to adopt effective decisions for alleviating the serious needs of millions in the developing world. Their plight was a consequence of the old unjust economic order based on domination and exploitation by the industrialized countries, and still prevailing almost a decade after the adoption of General Assembly resolutions 3201 (S-VI) and 3202 (S-VI). The principal lesson to be drawn from the Belgrade conference was that the flexibility shown by the developing countries at the meeting of the Group of 77 in Buenos Aires and the Summit Conference of Heads of State or Government of Non-Aligned Countries in New Delhi was of no avail when it came to negotiating with the industrialized countries on changes in the structure of the current international economic order. In spite of that, the North-South dialogue should be pursued, and development issues must retain high priority in international policies.

33. What was needed was an organization which would help the developing countries to deepen the process of co-operation among themselves or to co-ordinate proposals for negotiations with the North. Recourse to economic sanctions or coercive actions in order to attain political objectives, which was currently very frequent, not only harmed the interests of millions of individuals but also damaged the international political and economic climate.

34. One of the important issues related to the topic of economic co-operation among developing countries was the global system of trade preferences among developing countries. It was regrettable that, at the recent session of the Trade and Development Board, the Group B countries had not supported the decision to hold four weeks of meetings in 1984 to discuss that issue. In the opinion of his delegation, the system of preferences was not so much a priority matter as one important element in the programmes of activities designed to promote economic co-operation among developing countries, so that the Secretary-General of UNCTAD could not devote to it the already inadequate volume of resources available for ECDC in general.

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35. Ms. DANIELSEN (Norway), speaking on behalf of the delegations of Denmark, Finland, Iceland, Sweden and Norway on the subject of agenda item 78 (j), said that the various organs and bodies of the United Nations system engaged in development activities should take into account the need for integration and participation of women at all levels of the development process. The Nordic countries welcomed the decisions adopted by various intergovernmental organs as a follow-up to General Assembly resolution 36/74 concerning a world survey on the role of women in development.

36. At its ninth ministerial session, the World Food Council had recognized that one of the persistent obstacles to development programmes in agriculture was the absence of policies supporting the role of farm women as part of the rural family; moreover, in the consensus resolution on food problems adopted in the Second Committee, emphasis was placed on the need to involve women in the formulation and implementation of national food strategies, plans and programmes.

37. In its conclusion 1983/12, the Industrial Development Board stressed the contribution made by women to the industrialization of developing countries and advised increased involvement of women in all aspects and all levels of the development process. Mention should also be made of the comment by the President of the World Bank, at the most recent joint session of the Bank and the International Monetary Fund, on the need to enhance the role of women in development. The delegations of the Nordic countries shared the concern recently expressed by the Netherlands regarding the position of women in poor urban areas.

38. Despite the importance of the activities financed by the Voluntary Fund for the United Nations Decade for Women, they should not be an excuse for lack of progress in the involvement of women in development activities financed by other multilateral funds and programmes. The Nordic countries expected that the world survey on the role of women in development, to be presented to the next session of the General Assembly, would broaden the understanding of the subject; the survey would give an overall view of women's participation in all relevant sectors, would assess the benefits accruing to women as a result of their participation in development and, even more important, would contain suggestions on improving women's role as agents and beneficiaries of development and an assessment of the potential impact of such improvements. The survey would also be an important contribution to the preparations for the World Conference to be held in 1985 to review and appraise the achievements of the United Nations Decade for Women.

39. Mr. RECHETNIAK (Ukrainian Soviet Socialist Republic) noted that the process of review and appraisal of the implementation of the International Development Strategy would have to take into account the serious economic situation of the developing countries caused by the inequalities inherent in the capitalist economic system and by the restrictive and coercive policies of imperialism. It would be necessary to review the actual progress made towards the establishment of a new international economic order embodying respect for the sovereignty of the developing countries over their resources, measures to support the industrialization of the developing countries, monitoring of the activities of transnational corporations and implementation of the progressive provisions of the Declaration on the Establishment of a New International Economic Order and of the

(Mr. Rechetniak, Ukrainian SSR)

Charter of Economic Rights and Duties of States. The Economic and Social Council should play a key role in the process of review and appraisal of the Strategy; in order for it to do so, the bodies involved would have to prepare in good time reports on the results achieved in their respective spheres.

40. It was regrettable that the results of the sixth session of UNCTAD had been largely unsatisfactory, because of the obstructive attitude of the Western countries, which had opposed measures that might restrict market forces and had tried to exclude UNCTAD from the spheres of activity of the International Monetary Fund and the World Bank. Nevertheless, the Belgrade meeting had adopted important decisions on various topics, reaffirmed the importance of confidence-building measures and of the principles of most-favoured-nation treatment and non-discrimination and adopted a Final Declaration stressing the close link between peace and economic development. UNCTAD should play a more active role in the struggle against discrimination and protectionism. Poland had taken a very interesting initiative in the formulation of rules to foster confidence in the economic sphere.

41. With regard to the rules of international trade, the goal should be not to reform them but to make all countries respect the existing rules. It was a characteristic of international monetary and financial relations that they were geared to the functioning of the capitalist system; in that regard, he stressed the need to improve access by developing countries to sources of financing, to provide debt-servicing assistance and to limit the outflow of financial resources from the developing countries. Lastly, he stressed the importance of economic co-operation among developing countries as a means of promoting the independence of each country.

42. Mr. GRECU (Romania) stressed the importance of the sixth session of UNCTAD, which had set as its principal goal the adoption of measures to stimulate lasting economic recovery throughout the world. Particularly favourable conditions had existed for the adoption of specific measures: the Group of 77 had submitted a set of constructive and realistic proposals, contained in the Buenos Aires Platform, for the revitalization of international economic relations and the creation of a healthy world economy. However, the meeting had not produced the desired results, basically because the major developed countries had not displayed the necessary political will to tackle and solve the serious economic problems.

43. The failure of the UNCTAD session highlighted the need to initiate as soon as possible negotiations aimed at producing agreements on specific measures in the spheres of international trade, raw materials, financial assistance for development, the external debt of the developing countries and other urgent problems. He expressed agreement with the conclusions of the meeting of the intergovernmental group of experts on the reverse transfer of technology; that constituted a unilateral transfer of productive resources which had serious economic, political and social consequences for the developing countries, and urgent measures were required to prevent a brain drain from the developing countries. UNCTAD should endeavour to achieve agreement on a set of principles and a programme of action in that sphere. Romania also believed that an inter-agency group should be set up to study that subject, so that other United Nations bodies could make contributions, as recommended in paragraph 4 of General Assembly resolution 37/207.

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(Mr. Grecu, Romania)

44. It was obvious that, three years after the adoption of the International Development Strategy the international community was still far from attaining the Strategy's goals. The world economic situation was continuing to worsen, many developing countries had recorded negative economic growth rates for the first time, and it was more urgent than ever to take resolute action to reverse current world economic trends. In that connection he stressed the importance of the review and appraisal of the progress achieved in implementing the Strategy. The process must stimulate awareness, renewed dialogue and the adoption of practical measures.

45. The outcome of the third session of the High-level Committee on the Review of Technical Co-operation among Developing Countries was extremely heartening and could assist the implementation of the elements of the Buenos Aires Platform concerning the promotion of technical co-operation among developing countries. It should be borne in mind, however, that, in order to be truly effective, co-operation among developing countries must receive financial support from the developed countries and the United Nations system.

46. Mr. BHANDARI (Bhutan) said that the adoption of the Substantial New Programme of Action for the 1980s for the Least Developed Countries was an important milestone in international economic co-operation, since in it the international community acknowledged for the first time the grave economic problems facing least developed countries and had agreed on the need for action to transform their economies and to prepare the way for development. The Secretary-General's report (A/38/471) underlined the action already initiated by many least developed countries to promote economic development, including the strengthening of planning capability, the establishment of development objectives and priorities and the mobilization of domestic resources. Bhutan's fifth five-year plan for economic development, which covered the years 1981 to 1987, enunciated five major development strategies: promotion of self-reliance at the district level, with specific programmes for each district; administrative decentralization, to ensure the flexible implementation of programmes; the promotion of people's participation through district development committees; control of expenditure through the streamlining of the administrative system and the optimum use of resources; and mobilization of all internal resources to reduce reliance on external assistance, to which end the Government had instituted major fiscal reforms.

47. The Substantial New Programme of Action (SNPA) stated that, although the least developed countries themselves had the primary responsibility for their development, large-scale support from the international community was absolutely vital. It was therefore regrettable that resource transfers to those countries had shown no sign of increase and that only a few donor countries had attained the SNPA target for official development assistance. In fact, official development assistance from some major donor countries had declined in 1982 as compared with 1981. Now that the economic recovery was under way, it was to be hoped that those countries would increase their assistance, particularly through the Special Measures Fund for the Least Developed Countries, the United Nations Capital Development Fund and aid group meetings. He expressed his appreciation to UNDP and UNCTAD for helping Bhutan to organize a meeting of potential donors at Geneva in May 1983. That meeting had given Bhutan an opportunity to explain its development plans, policies and priorities and its external assistance requirements.

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(Mr. Bhandari, Bhutan)

48. He underlined the need for continued review and monitoring of the implementation of the Substantial New Programme of Action, a task in which the regional commissions, UNCTAD, UNDP and the Office of the Director-General for Development and International Economic Co-operation had a special role. In that regard, he noted with satisfaction the creation of a special unit in ESCAP and the appointment of country desk officers in UNCTAD.

49. Mr. SAAD (Egypt) said that the results of the sixth session of UNCTAD had been a disappointment to the developing countries, which had expected a less meagre outcome. Nevertheless, that session should be considered as a starting-point. The international dialogue should be continued on the basis of a conceptual approach that would meet the concerns of both developing and developed countries, with a view to the establishment of a world economy based on more equitable international relations.

50. In order to strengthen and accelerate the dialogue and to facilitate the convergence of views, his delegation advocated the organization of meetings of heads of State of developing and developed countries to discuss world economic problems and even to tackle national economic issues. The President of Egypt had underlined that idea in his statement at the sixth session of UNCTAD and had called for the holding of periodic meetings at the summit level. Experience had demonstrated the positive effects of such meetings as a supplement to the activities of the United Nations system.

51. Where trade and development were concerned, the Egyptian Government hoped that, at the current session, the General Assembly would: take action in support of the decisions adopted at the sixth session of UNCTAD; agree on a programme of immediate measures in the areas of trade and development, money and finance, and commodities, together with a programme of medium-term and long-term measures aimed at restructuring international relations in those areas; urge Member States to ratify the Agreement Establishing the Common Fund in order to enable operations to begin not later than January 1984; give a new impetus to the current negotiations on commodities, with a view to reaching international agreements; and take the necessary measures to halt and eliminate protectionism.

52. With regard to international monetary issues, he proposed that a link should be established between special drawing rights (SDRs) and development finance. IMF should agree on a new annual allocation of not less than 15 billion SDRs to meet international liquidity requirements. Quotas should be increased to 125 billion SDRs. The assistance provided by IMF to developing countries should be extended to cover medium-term assistance. IMF should impose less strict conditions and should adopt measures to facilitate access to its resources and increase their utilization.

53. The resources of the World Bank should be increased in real terms, in order to augment the scale and effectiveness of its assistance to developing countries. The World Bank should increase the volume of its lending for structural adjustment. The seventh replenishment of IDA should provide for a considerable expansion of loans to all recipients, and negotiations to that end should be completed as soon as possible so that the new replenishment could be initiated in early 1984. Regional

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(Mr. Saad, Egypt)

financial institutions should be strengthened through the expansion of their capital in real terms. The resources of UNDP should be increased on a continuous basis. Member States of IFAD should be urged to lend strong support to the second replenishment, so as to enable the Fund to achieve its objectives in the developing countries.

54. Furthermore, in his Government's view, the developed countries which had not yet achieved the target of 0.7 per cent of official development assistance, as laid down in the International Development Strategy, should be urged to take the necessary steps to that end. In addition, the developed countries that had not yet done so should be urged to alleviate the debt burdens of developing countries. The importance of establishing an international facility for commodity-related shortfalls in export earnings should also be recognized. The important role of UNCTAD in regard to economic co-operation among developing countries should be supported, and assistance should be provided through UNCTAD to the Palestinian people and the peoples of Namibia and South Africa.

55. His delegation noted with satisfaction that the Intergovernmental Committee on Science and Technology for Development had completed the Vienna Programme of Action by incorporating into it guidelines for the formulation of projects and programmes to strengthen the indigenous scientific and technological capacities of the developing countries. He also commended the work of the Advisory Committee and the efforts of the Centre in co-ordinating and promoting the implementation of the Programme of Action.

56. Egypt kept a close watch on follow-up and evaluation at the regional level in Africa, and hoped that the financial obstacles encountered in the implementation of the Monrovia Strategy for the Economic Development of Africa would be overcome.

57. After long and painful negotiations, it had been possible to solve outstanding issues relating to the institutional and financial arrangements for the Financing System; however, there had been lack of progress in rendering the System operational, and many difficulties were being encountered, mainly because it was a novel type of arrangement without precedent in the United Nations. He hoped that all Member States would show the necessary political will by initiating the functioning of the System by January 1984.

58. He expressed his delegation's concern about the situation of the least developed countries, and urged the international community to fulfil its responsibility under the Substantial New Programme of Action for the 1980s, the implementation of which had made only slow progress, and to provide economic and financial assistance to build up the infrastructure those countries needed for their economic and social development.

59. Mr. HAYFORD (Ghana) said that, despite the high hopes, the goals set out in the International Development Strategy had not been met. He hoped that the review and appraisal of the Strategy would facilitate renewed efforts to translate it into action. The outcome of the sixth session of UNCTAD had been disappointing, especially in view of the unprecedented care with which the Group of 77 had prepared for it. UNCTAD had not acknowledged the need to adopt new policies in

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(Mr. Hayford, Ghana)

order to respond to a new situation characterized by interdependence and by the fact that the developing countries had become a significant partner in the international economy.

60. With regard to commodities, his delegation supported UNCTAD resolution 153 (VI) on the Common Fund for Commodities. It also supported the call for the earliest signature and ratification of the Agreement Establishing the Common Fund by those countries which had not yet done so. Ghana, which had already signed and ratified the Agreement, renewed its commitment to the agreement of June 1980, and, as a producer of cocoa, hoped that the functioning of the Common Fund would help to reduce the margin of fluctuation in the international prices of commodities of developing countries. It also welcomed the establishment of the second window for non-stocking activities, such as research and development of new commodities, and the compensatory financing facility for commodities. In order to obtain those loans, Ghana had had to take painful measures in order to tackle long-standing structural problems in its economy.

61. The financing agencies must take into account the serious socio-political problems which economic restrictions created for the developing countries. Accordingly, he noted with appreciation that the International Monetary Fund was taking a new, hard look at the way conditionality had been implemented in developing countries, especially the central role the World Bank was playing in the preparations for the forthcoming donors' consultations on mobilizing assistance for Ghana.

62. Ghana had actively participated in the negotiations aimed at making the Financing System for Science and Technology for Development a viable, effective institution, and looked forward to further progress on that important matter.

63. Ghana attached importance to the promotion of technical co-operation among developing countries as a means of bringing about collective self-reliance, and believed that the time had come to speed up implementation of the many proposals and sectoral strategies formulated.

64. His Government recognized the importance of mobilizing and integrating women in development, and some years earlier, had set up a National Council on Women and Development which co-ordinated action at all government levels. His delegation also expressed its support for the Substantial New Programme of Action for the 1980s for the Least Developed Countries, and appealed to the international community to provide the resources needed for full implementation of the Programme.

The meeting rose at 1.20 p.m.