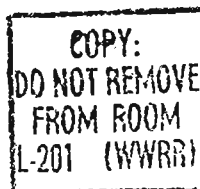


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**GENERAL  
ASSEMBLY**  
FORTIETH SESSION  
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SECOND COMMITTEE  
3rd meeting  
held on  
Tuesday, 8 October 1985  
at 10.30 a.m.  
New York

SUMMARY RECORD OF THE 3rd MEETING

Chairman: Mr. BIRIDO (Sudan)

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The meeting was called to order at 10.50 a.m.

ORGANIZATION OF WORK (A/C.2/40/L.1/Add.1 and L.12)

1. The CHAIRMAN informed the Committee that the two Vice-Chairmen intended to begin forthwith preliminary informal consultations with delegations on the various agenda items in order to expedite the Committee's work. As indicated in document A/C.2/40/L.1/Add.1, the Economic and Social Council had already transmitted to the Committee a number of draft proposals for consideration.
2. With regard to the general debate, the Bureau had decided, in the light of the comments made at the previous meeting, to recommend to the Committee that the formal aspect of the general debate should be concluded on 16 October and that, thereafter, two or three informal meetings should be held, starting either on 17 October in the afternoon or on 18 October in the morning, in order to give delegations an opportunity to exchange views on the issues raised during the general debate. During the informal meetings, executive heads of organs, organizations and programmes of the United Nations system who were present at Headquarters could be invited to participate in the discussions.
3. If he heard no objection, he would take it that the Committee approved the Bureau's recommendation regarding the organization of the general debate.
4. It was so decided.
5. The CHAIRMAN also informed the Committee that the Bureau was currently considering a number of other informal meetings, to which the executive heads of the relevant organs, organizations and programmes of the United Nations system would be invited, on such items as the environment, human settlements and science and technology for development, which, in accordance with the Committee's current biennial programme of work, should be reviewed in depth at the current session. He said that the list of speakers in the general debate would be closed that same day at 6 p.m.

GENERAL DEBATE

6. Mr. RIPERT (Director-General for Development and International Economic Co-operation) said that the general debate in plenary, which had been marked in 1985 by the participation of an impressive number of heads of State and Government, had shown that, while the political tension between the great Powers had not subsided, there was a moving away from rigid confrontation. If confirmed, that trend might open up new possibilities for co-operation, disarmament and a more constructive use of the means afforded by the United Nations. The link between disarmament and development might at last become a reality. In the economic arena, while the problems that had dominated the past few years had not disappeared, there was a greater recognition of the risks of inaction and of the need for more active international co-operation. The task of the Second Committee, the economic arm of a political organization, was to pursue those openings, to broaden them and, in the areas of its direct competence, to achieve concrete results.

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7. The Committee's task had been greatly facilitated by the Economic and Social Council, which, at its latest session, had pinpointed the key areas of concern, areas which consequently merited future action. More recently, the debates in the Trade and Development Board and in the Committee on the Review and Appraisal of the International Development Strategy had elicited a number of points on which there was a convergence of views.

8. There were, in particular, emerging signs of a realization that the strategies for dealing with the debt problem needed to be adapted to changing conditions. In the light of the constantly increasing level of debt, those strategies had been inadequate, although multi-year reschedulings were helping to improve the immediate situation.

9. The Governments of the debtor countries, many of them fragile democracies, were asking that greater attention should be paid to their tragic situation. Their plea should not be lightly dismissed, for harsher economic conditions, unemployment, social misery and political instability were natural allies. Moreover, adjustment policies that had worked in the context of global expansion might not be the most appropriate in current conditions.

10. A durable solution to the debt problem called for simultaneous and concerted action on several fronts. But action specific to the debt problem was urgently needed. Such action should entail recognition that there were limits to the overall burden of debt servicing that individual debtor countries could shoulder on a sustained basis; the principle of a sharing of responsibilities among debtor and creditor countries and financial institutions should likewise be accepted. Beyond long-term rescheduling, emphasis should be placed on reducing the interest burden and providing additional finance. There had been recent indications that the market-economy industrialized countries might be prepared to follow such a course. However, the situation of financial institutions was far from satisfactory. The World Bank's ordinary commitments had declined in 1984, even in nominal terms. Efforts were being made to enhance the role of the Bank, especially as a catalyst for commercial lending and private investment. But that would require resources commensurate with those objectives.

11. With regard to official development assistance, recent studies had confirmed that aid was effective in most instances. The effectiveness issue should not be used as an excuse not to allocate the additional resources needed in order to ensure, for example, the economic recovery of the African countries, which had just faced an emergency situation, and to ensure the economic development of other low-income countries.

12. Turning to the monetary situation, he said that the serious misalignment of currencies was now taking its toll, as seen specifically in increased protectionist pressures in the countries whose currency was over-valued. However, an important change of attitude seemed to be taking place, and the positive effect of concerted interventions in the currency markets was beginning to be felt. Such actions should be continued and expanded to other fields.

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13. Moreover, structural weaknesses in the monetary system also needed to be addressed. Two important reports had recently appeared on those issues, by the Group of 10 and the Group of 24, respectively. Now that the issues had been defined, an agenda for discussion and action must be worked out. That underlined the importance of the proposal of the non-aligned countries for an international conference on money and finance for development, and similar proposals by other countries.

14. With regard to trade, the latest GATT report highlighted the impact of the current slowing down of the global economy on the growth of world trade, and on its consequences for the developing countries' growth prospects. A slowdown in the growth of trade would intensify the existing protectionist measures further and create an extremely dangerous situation. The United States Administration had strongly resisted domestic pressures for more protection; that attitude was a welcome one, as many other countries would follow the same path.

15. The recent discussions on a new round of trade negotiations had made it clear that deep differences of opinion existed concerning the objectives to be attained; however, ways of dealing with the problems had been suggested by, inter alia, developing countries. It was to be hoped that those differences would be resolved in the weeks or months to come. The results of a new round would, however, take a long time to be felt. That was why it was important to act on the other parameters (exchange rates, development financing, economic growth rates) and to pursue actions to remove the trade barriers erected in recent years. The forthcoming negotiations on textiles would be highly significant in that sense, given the rank textiles held among the developing countries' exports.

16. Commodity prices continued to be unstable, and stood at a historically low level. The remarkable decline in the terms of trade of the least developed and of other African countries was a major cause of the crisis confronting them. In the long run, diversification was without doubt the only real answer, but that should not detract attention from the urgent need to strengthen existing instruments and, where necessary, develop new ones, whatever the difficulties encountered in, for example, the establishment of the Common Fund and the long-term commodity agreements.

17. To sum up, the debt issue was again commanding the attention of a large part of the international community. Specific urgent responses were required, but the issue could not be isolated from the financial, monetary and trade situation of the world economy, which in turn was closely related to the overall state of the economies of the industrialized countries. It was to be hoped that the General Assembly would find an appropriate way of reflecting in the outcome of its deliberations what now appeared to be a common concern.

18. The drought-induced emergency which had plagued large parts of the African continent was far from over, and emergency assistance, particularly in the form of food aid, would continue to be necessary in many cases in 1986. However, the situation was beginning to ease, and the root causes of the present crisis must be tackled and a sound base provided for the future development of Africa. Many African Governments were currently engaged in major policy changes, but additional

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external resources were essential to support their efforts. That, essentially, had been the message of the recent OAU Summit, as well as the overall conclusion of the debate on Africa at the second regular session of the Economic and Social Council.

19. The critical economic situation of Africa was, of course, a subject which was to be considered by the General Assembly in plenary. However, a number of specific items on the Committee's agenda were of great importance to Africa. Successive initiatives, relating in particular to the problems posed by the fight against desertification, had been taken in recent years. The time had perhaps come to take an overall view of the issue, in order to approach it with greater consistency and ensure that efforts were commensurate with needs. Also, the recent emergency operations in Africa had highlighted the severe logistic constraints which affected many countries, and their negative impact on the development process itself. It would therefore be desirable for the Committee, in its deliberations, to pay particular attention to the various components of the Transport and Communications Decade in Africa and to the need for further progress in the implementation of the Programme for the Decade.

20. On the occasion of the mid-term review of the implementation of the Vienna Plan of Action on Science and Technology for Development, the Intergovernmental Committee had, with the assistance of the Advisory Committee on Science and Technology for Development, taken important decisions which had been brought to the attention of the Second Committee. Beyond a recounting of the results obtained and difficulties encountered, the review had addressed itself to possible courses of action in the context of rapid advances in science and technology and of changing economic conditions. The review had also highlighted the need to find a solution to the outstanding problems confronting the United Nations Financing System for Science and Technology for Development. At the request of the Intergovernmental Committee, the Secretary-General would shortly submit recommendations prepared in consultation with Member States for a broadening of the financial base of the Financing System. The matter was an urgent one because, unless positive steps were taken at the current session, it would become necessary to consider the termination of the Financing System's operations, despite the general recognition of its useful contribution to development.

21. Population pressures - in particular the dramatic urbanization process - and the impact of modern industries were beginning to have a major effect on the world's environment and natural resources. That point should be emphasized, because there was a real danger that during periods of economic adversity issues such as the environment might not, because of short-term emergencies, receive the attention they deserved, whereas measures to safeguard the environment were essentially of a long-term character and consequently required continuing effort. Fortunately, awareness of the significance of those problems was increasing in all countries, and techniques had been developed for dealing with them. The Governing Council of the United Nations Environment Programme had adopted at its thirteenth session a number of important decisions designed to address environmental problems in a longer-term perspective. Moreover, an African environmental conference would shortly be convened in Cairo to discuss national environmental priorities and identify common problems in that region.

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22. Furthermore, a quarter of the world's population lacked adequate shelter and basic services. About 100 million people were homeless. It was therefore urgent for Governments to accord higher priority to drawing up national policies and programmes to meet effectively the needs of their people, particularly of the poor and disadvantaged, for shelter and related services, in accordance with the objectives of the International Year of Shelter for the Homeless proclaimed for 1987. He urged Member States to give concrete expression to the commitments they had made for the International Year, and to support the efforts of the United Nations in that area.

23. The Second Committee would also have to consider the question of follow up to the mid-term review of the Substantial New Programme of Action for the Least Developed Countries currently being conducted at Geneva. The implementation of the Programme had been inadequate, although its objectives and lines of action were fully valid. Greater efforts were needed, particularly since the situation of the least developed countries had worsened under the harsh impact of the economic crisis, aggravated in many countries by natural disasters. Action undertaken by the Governments of the least developed countries to strengthen their economic base had not always been commensurate with the magnitude of the problems. Efforts to improve the mobilization of domestic human and financial resources must be stepped up, and agricultural production, in particular food production, must be given the required priority. The external support provided by donors had, with notable exceptions, fallen short of the targets set. There was a need for a significant stepping up of international support measures for the least developed countries, particularly those designed to increase official development assistance flows, alleviate the external debt burden of those countries and increase commodity export earnings. He hoped that the results of the review currently being undertaken would be positive and that the General Assembly would provide the necessary impulse for their effective utilization.

24. One of the major concerns of delegations in recent months had been the need to ensure more effective co-ordination of the economic and social activities of United Nations organizations. That had been reflected in the work of the Committee for Programme and Co-ordination, at the joint CPC/ACC meeting and at the summer session of the Economic and Social Council. The Secretary-General's initiatives in the context of the emergency operations in Africa had demonstrated all the benefits that could be derived from effective co-ordination of the activities of United Nations organizations, but also of other parts of the international community. They had also shown that, with the collective will to act, significant results could be achieved, whatever the institutional problems. It was necessary to learn from that experience in addressing longer-term development problems in Africa. The benefits of that experience could and should also be extended to the whole range of operational activities for development.

25. The importance of co-ordination related not only to operational activities, but also to ensuring the coherence of general recommendations formulated by various United Nations bodies on related matters. It was particularly necessary when dealing with complex issues requiring inputs from various sectors and institutions. He had noted at recent intergovernmental discussions the importance

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the Governments of Member States attached to that matter, even though views differed on the extent of success or failure of the United Nations system in its efforts to promote co-ordination. In particular, he believed that Governments wished to ensure a more analytical review of the activities of United Nations organizations and of their impact. The Secretariat, in consultation with the entities concerned, was currently involved in exploring ways and means of improving the quality of work relating to co-ordination. He was aware of his responsibilities in that area, and would do his best to meet the expectations of Governments of Member States. He called upon delegations to consider the suggestion made by the Secretary-General, in his comments on the report of the Joint Inspection Unit on reporting to the Economic and Social Council, that the Council should itself undertake a review of its role in co-ordinating the activities of the United Nations system. If that suggestion was considered, it would be necessary to involve the specialized agencies in that study from the outset, for they were beneficiaries of an effective co-ordination process which should be identified neither with an attempt at centralizing the decision-making process nor with the multiplication of administrative procedures.

26. A number of useful steps, including the adoption of a biennial programme of work, had been taken by the General Assembly and the Economic and Social Council to rationalize their work. Since the beginning of the year, informal consultations among delegations on measures to improve the working methods of the Second Committee and the Economic and Social Council, and to define the focus of their work, had yielded some useful results. A similar process had been conducted in UNCTAD. He hoped that delegations would make practical use of those rationalization measures during the current session of the Second Committee. For his part, he wished to add the following suggestions: (a) The general debate of the Second Committee might be focused each year on one or two major themes recommended by the Economic and Social Council; (b) Consideration should be given to measures to improve co-ordination in the scheduling of meetings of intergovernmental bodies, such as the Trade and Development Board, the Economic and Social Council and the Second Committee, and to strengthen complementarity in the substantive work of those bodies. In that connection, he recalled the suggestion made by the Secretary-General to the Economic and Social Council at its second regular session of 1985 for convoking a group of present and past presidents and chairmen of the Council, the Trade and Development Board and the Second Committee, who, with the assistance of the Secretariat, might suggest to those bodies ways to ensure greater complementarity of activities, greater concentration on some issues, more thorough preparation and more flexible forms for deliberation; (c) Informal consultations in advance of General Assembly and Economic and Social Council sessions should be organized more systematically in order to identify the major economic and social questions of concern to delegations and to facilitate the exchange of preliminary views thereon; (d) The biennial programme of work should be strictly adhered to and, in that context, documentation should be reviewed with a view to its further streamlining and rationalization.

27. The anniversary of the United Nations had already given rise to many discussions of its past, present and future. Much had been said about the disaffection with multilateralism. While there was no doubt that international co-operation was today beset by many difficulties, it was equally true that the

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international framework of the United Nations remained essential for the joint pursuit of prosperity and economic and social development. The success of the Nairobi Conference on women and of the Seventh United Nations Congress on the Prevention of Crime and the Treatment of Offenders, for example, had demonstrated the unique role the United Nations could play as a universal forum for promoting international co-operation for development. Further evidence could be seen in the prospects for success of the great enterprise launched under the leadership of UNICEF to immunize all the children of the world by 1990, which deserved the collective commitment of the Governments of Member States at the current session of the General Assembly. Those instances, among so many others, demonstrated that, despite political differences and unavoidable conflicts of interest, it was possible to find solutions to common problems, given sufficient will and courage to do so.

28. In the economic sector, the conclusion of agreements on important issues continued to be beset by severe problems and constraints. It was therefore essential to identify some specific issues and to spare no effort to settle them effectively within the next 12 months. The Second Committee must also ask itself how to utilize the historic occasion which brought together so many heads of State and Government in order to make progress in the North-South dialogue. The meeting of heads of State and Government soon to be held could provide current negotiations on some key issues with the impetus they so needed. That meeting could be followed next year by a special session of the Economic and Social Council at the ministerial level, which would maintain the political momentum necessary for an economic dialogue.

29. Mr. KHALIL (Egypt), speaking on behalf of the Group of 77, said that the Director-General's constructive suggestions would be duly taken into consideration. On the occasion of the fortieth anniversary of the founding of the United Nations, the Group of 77 deemed it appropriate to reaffirm that the fundamental principles on which the Organization was based remained valid and should be respected and implemented more than ever. The member countries of the Group of 77 were working in that direction and viewed the United Nations as the unique international forum for negotiations and international economic co-operation.

30. In a world in which States were increasingly interdependent, multilateral co-operation had become more important than ever, and attempts to erode it could have very grave consequences. The Group of 77 therefore appealed to all States to return to the spirit of the Charter and to renew their faith in the reasonableness of international co-operation, and cautioned the international community against the dangers inherent in a breakdown of the consensus achieved in that area. The 127 members of the Group of 77 had for their part constantly been seeking to consolidate international co-operation. Concerned with promoting the economic and social development of their countries, they nonetheless remained open to constructive dialogue with their partners in the interest of all parties.

31. At their ninth annual meeting, held in New York in the beginning of October, the Ministers for Foreign Affairs of the Group of 77 had expressed their deep concern over the persistence of international economic problems and the impasse in the negotiations necessary to cope with the situation. They therefore urged all

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Governments to recommit themselves to promoting those negotiations and multilateral economic co-operation. They had also endorsed a number of objective and action-oriented measures. They had stressed the need for the international community to support the individual and collective efforts of the African countries to ensure the short-term, medium-term and long-term development of the continent, and urged it to take effective measures to address the structural causes of Africa's economic crisis and thereby prevent its recurrence, in particular by facilitating implementation of the five-year programme of action for the economic development of Africa adopted by OAU, and by implementing the Declaration on the Critical Economic Situation in Africa. In that connection the ministers had also endorsed the appeal made by OAU for the convening of a special session of the General Assembly to deal with the critical economic situation in Africa and the decision of the OAU summit meeting at Addis Ababa calling for the convening of an urgent international conference on the external indebtedness of African countries. The declaration adopted by the ministers for foreign affairs at the end of their meeting included, in addition to practical measures concerning various areas, a separate section on economic co-operation among developing countries and ways of promoting it, and the important role of United Nations organizations and bodies in that connection. In the light of the importance of the issues dealt with in that declaration, he had requested the Secretary-General to circulate the text as an official document of the General Assembly at the current session.

32. The constant deteriorating world economic situation gave rise to serious concern and called for urgent and concerted efforts by all States to cope with it. The uneven and fragile recovery in a number of developed countries had not been felt in the developing world, because the efforts to pursue that limited recovery continued to ignore the structural problems facing the world economy, particularly those of the developing countries. The short-sighted economic policies adopted by some major developed countries, the sharp exchange-rate fluctuations, high real rates of interest, the fall in commodity prices, the deterioration in the terms of trade of developing countries, debt-servicing burdens and increased protectionist measures were but a few of the conditions that contributed to the adverse external environment for the developing countries, particularly the least developed. Only effective multilateral economic co-operation geared to finding solutions to problems in the areas of money, finance, foreign debt and trade could prevent the risk of disintegration of the world trading system and dispel the uncertainty confronting the international monetary and financial system.

33. During the frank and objective general discussion at the second regular session of the Economic and Social Council, held in July 1985, the interrelatedness of world trade, economic development and technological progress and the need to reverse protectionist trends had been unequivocally recognized. The consideration of the problem of indebtedness had confirmed the need to approach those issues from a broader perspective. He hoped that the Second Committee would resume consideration of those issues with the seriousness and objectivity required in order to reach effective solutions.

34. In that regard, the Ministers for Foreign Affairs of the Group of 77 had called for the initiation during the fortieth session of the General Assembly of the preparatory process for the convening of a conference on money and finance for

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development. They had urged the Governments of creditor developed countries and international financial and banking institutions, following the principle of shared responsibility, to engage with debtor developing countries in a political dialogue to find a mutually agreed, equitable and durable solution to the debt problem of developing countries.

35. In the context of the new spirit which appeared to be emerging in the field of international co-operation, it was pertinent to recall the positive efforts of the Group of 77 and the climate of understanding which had marked the proceedings of the World Conference to Review and Appraise the Achievements of the United Nations Decade for Women at Nairobi in July 1985; on that occasion the Group of 77 had played a major role in bridging the gap between the positions of different groups and countries, which had led to consensus on a comprehensive document. Thanks to its perseverance and determination, the Group had also succeeded in reaching consensus on the text related to the mid-term review and appraisal of the implementation of the International Development Strategy for the Third United Nations Development Decade. It was intended to pursue the dialogue during the current session in the hope that the spirit of co-operation which had marked the mid-term review might induce the developed countries to take urgent and concrete steps to implement the general policy measures adopted.

36. On the occasion of the fortieth anniversary of the founding of the United Nations the Group of 77 wished to appeal to its partners in other groups to ensure that the United Nations lived up to its name, to renew their commitment to multilateralism and their faith in the need for international co-operation, and to transcend national interests, which could not by themselves bear fruit in a closely interdependent world. The process of dialogue in the critical areas of economic co-operation for development should be recommenced in good faith backed by political will. Substantial results that served the interests of all parties depended on the launching of global negotiations aimed at establishing a new international economic order, taking into account the international variables which had come to prevail in all fields of economic activity all over the world. The Group of 77 was determined to continue its efforts, in a realistic manner, towards constructive dialogue with all its partners, in an atmosphere of mutual trust and understanding, with a view to overcoming together the recession in the world economy, and to give an impetus to the process of economic and social development in the developing countries, for the mutual benefit of all.

37. Mr. ZVEZDIN (Union of Soviet Socialist Republics) said that the commemoration of the fortieth anniversary of the United Nations provided an opportunity for humanity to look forward and also to learn from its past, which showed the urgent need to strengthen economic and political relations among States to guarantee peace and progress, and explained why the peace-loving forces had to step up their struggle against the sinister plans of the imperialists, above all the United States, aimed at starting a new round in the arms race and extending it to outer space.

38. Most countries would agree, taking into account the economic and political interdependence of States, that the problems of development were closely linked to those of international security, which his country was actively seeking to

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guarantee. That was why in recent years it had put forward a number of major peace initiatives, including the recent constructive and realistic measures announced by Mr. Gorbachev on 3 October to the French Parliament, which would make a major contribution to improving international relations. The arms race prevented humanity from tackling other urgent problems, and to put a stop to it would benefit each country and the world economy as a whole. His country, anxious to ensure progress under conditions of peace and security both inside and beyond its borders, would certainly prefer to use for peaceful purposes, the funds which it was using for defence, and considered it immoral to waste hundreds of billions on developing means of destruction when the world suffered already from so many ills. It therefore once more issued an urgent call to all States, especially the permanent members of the Security Council, to reduce their military expenditures and to use the resources thus released for development purposes. The fact that in the second half of the 1980s arms expenditure and the foreign debt of developing countries would together reach the level of \$1 trillion, far from being a mere coincidence, reflected contradictory and explosive trends in the world's changing economic and political situation. His country recognized the importance of the role which the United Nations could play in strengthening international co-operation, because many current economic problems had become global and consequently called for multilateral co-operation. His country's constructive position in that regard had been reaffirmed in the joint statement of the socialist countries reproduced in document A/40/477-E/1985/136.

39. His country could not agree with those who saw the United Nations as being in a crisis situation, incapable of influencing international economic affairs. History proved the opposite was true. He recalled that 1985 marked the twenty-fifth anniversary of the adoption by the United Nations of the Declaration on the Granting of Independence to Colonial Countries and Peoples. Over those 25 years, during which the developing countries had struggled to gain economic freedom, the United Nations had adopted a whole set of instruments containing progressive ideas on restructuring international economic relations and establishing a new international economic order; they provided a solid basis for future multilateral activities and could be consulted to find common approaches to the solution of practically all the problems considered at the United Nations.

40. Some leading capitalist countries nevertheless continued to make every effort to hamper the implementation of those instruments, using methods such as boycotts or sabotage, and disregarded decisions adopted by the United Nations, as had happened recently in the Ad Hoc Committee to Review the Implementation of the Charter of Economic Rights and Duties of States and the Committee on the Review and Appraisal of the implementation of the International Development Strategy for the Third United Nations Development Decade. That clearly represented a deliberate attempt to discredit the United Nations. It could certainly be argued that some international organizations, such as ILO, were going through a crisis. But it was a different kind of crisis, due to the fact that the leadership of ILO still viewed that organization as part of a cordon sanitaire erected after the First World War to combat socialism. The socialist countries resolutely opposed that sort of thinking and considered that the root causes of the crisis should be sought. In order to cover up their policy of undermining international economic relations and discrediting the United Nations, the Western countries were currently promoting the

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adoption of a "new economic consensus", which had not prevented them from opposing General Assembly resolution 34/138, adopted by consensus, which had opened up real possibilities for holding multilateral negotiations on the major international economic problems.

41. On the subject of the functioning of United Nations bodies concerned with economic questions, the Group of 77 had recently put forward a number of interesting initiatives which his country supported. Unfortunately the developed capitalist countries were doing everything possible to turn those bodies into debating societies to discuss secondary technical issues without being able to adopt decisions on the many outstanding basic problems.

42. The recovery in the capitalist countries remained fragile and serious structural imbalances persisted, in particular in the monetary, financial and trade sectors. The United States was too concerned with its own interests to play a real "locomotive" role. The very high interest rates and the overrated dollar were more of a hindrance than a stimulus to the economic development of other States.

43. For the majority of developing countries, 1984 had been marked by either stagnation or extremely unstable economic growth combined with declining per capita income and production. That general slowdown had even reached the countries of South-East Asia, which were regarded by some as "a showcase of successful development". The developing countries continued to suffer from an entire arsenal of measures aimed at restricting trade. Their debt, a product of imperialism and neo-colonial policies of the West, had become worse; and the capitalist countries, instead of adopting a constructive approach in the context of a restructuring of international economic relations, were using that foreign debt as a means to apply political pressure and to interfere in the internal affairs of the debtor countries.

44. Western countries continued to suggest that debtor countries should pin their hopes on the "magic abilities" of the IMF, despite the fact that the Fund's stabilization programmes were contributing to the further decline of already low living standards in many such debtor countries. Attempts were also being made to get the World Bank to pursue an equally tough line. The crux of the problem of credit-worthiness was that the terms under which Western countries advanced credit did not take into account the national development objectives and programmes of developing countries or their economic mechanisms.

45. It was thus essential that a radical restructuring of the international monetary and financial system and a democratizing of its institutions should be considered within the framework of the conference proposed by the non-aligned and developing countries. However, although the Soviet Union had supported the idea of convening such a conference, the leading developed capitalist countries were avoiding any discussion of the subject at the United Nations, their sole aim being to protect their own economic interests at the expense of other countries.

46. The impasse in the negotiations on the Code of Conduct for Transnational Corporations was another example of the West's unconstructive approach. Transnational corporations were nevertheless responsible for the growing outflow of financial resources from the developing countries which was one of the main

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obstacles to their economic independence. Discussion of development aid was meaningless if it was restricted to the resource flow from the developed countries; consideration of the flow of resources in both directions was required and that changed the parameters of the problem.

47. It was evident that many current economic problems could be resolved only through joint efforts. It was not a question of any intention to injure the legitimate interests of the Western States, but of inviting them to join in mutually beneficial economic co-operation without discrimination. The Soviet Union's co-operation with the developing countries was based not on the profit motive but on strict observance of the universally recognized principles and norms of international law. From 1983 to 1984, the volume of its economic assistance to developing countries had risen from 1.2 to 1.4 per cent of its GNP, and it would continue to make every effort to render economic and technical assistance to the developing countries in their efforts to implement their development plans and achieve economic independence.

48. The Economic Summit of the member countries of the Council for Mutual Economic Assistance held in Moscow in 1984 had put forward a realistic programme of action to improve international economic relations, ensure economic security and establish trust in that most important area. The Soviet Union therefore called for the adoption of concrete measures to ensure economic security, and promote the social and economic progress of all countries and peoples, and was ready to co-operate constructively with all those genuinely interested in achieving those goals.

49. In conclusion, he congratulated Mr. Ripert, who had given an admirable account of the serious problems facing the world.

50. Mr. JØNCK (Denmark), speaking on behalf of five Nordic countries, said that promotion of the basic ideas underlying United Nations activity in the field of international economic co-operation was essential for the harmonious development of the world economy, and that the fortieth anniversary of the United Nations should be taken as an opportunity to strengthen its role in that field. The present economic and political situation was not conducive to major initiatives. A pragmatic approach, taking practical steps to improve the functioning of the United Nations and rebuild mutual confidence in international economic discussion and multilateral co-operation, would stand a better chance of success.

51. The achievements in multilateral co-operation (such as the outcome of the discussions on the critical economic situation in Africa and the decisions taken at the sixth United Nations Conference on Trade and Development and the fourth General Conference of UNIDO, the World Population Conference in Mexico and the World Conference to Review and Appraise the Achievements of the United Nations Decade for Women) but they had not constituted major breakthroughs in the North-South dialogue, or been sufficient to deal effectively with the economic problems of the developing world. No effort should therefore be spared to continue to enhance international economic co-operation, an objective to which countries remained committed. However, one must be realistic when considering possibilities for strengthening the role of the United Nations in the economic field. There were two

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main points to be considered. Firstly, the United Nations, under the terms of its Charter, could and should make recommendations for co-ordinating the policies and activities of the specialized agencies. How far the United Nations should go in the exercise of that responsibility had been the subject of ongoing dialogue for decades. That dialogue was important because a higher degree of consensus could increase countries' confidence in the ability of the United Nations to meet the challenges of the world economy. Secondly, neither the General Assembly nor the Economic and Social Council had been designed for negotiation on specific economic issues, and it should be accepted that solutions to such problems should be sought in appropriate international organizations inside and outside the United Nations system.

52. In the trade field, all countries were concerned about increasing protectionism and agreed that the threat it constituted should be fought. The United Nations should undoubtedly address that problem and reiterate the need for full implementation of the commitments that had been made. It could also stress the need for further action to liberalize trade, such as the initiation of a new round of global trade negotiations. However, any decision relating to a new trade round and its modalities should be left to GATT as the appropriate forum for trade negotiations.

53. The debt problems of many developing countries had quite rightly been raised repeatedly during the general debate in the General Assembly. The problems were so severe that they not only threatened the long-term development of developing countries, but could also constitute a threat to international financial stability, and they should be given serious consideration in all appropriate forums. The Nordic countries, while considering that the debt problems of individual countries should continue to be approached on a case-by-case basis because of the distinct differences between various countries, considered that the debt problem in general could not be treated as a separate issue but had to be seen in the broad context of economic growth, adjustment, trade and the transfer of capital. Emphasis should be placed on active and mutually reinforcing measures in both industrial and developing countries in order to establish the basis for long-term solutions. The United Nations could play a useful role in assessing debt problems and highlighting the issues calling for urgent action. Specific action must, however, be considered in the many appropriate forums that had a role to play in any such general strategy to alleviate the debt problem.

54. There were admittedly problems in finding the proper balance between the general policy guidance function of the United Nations and the role of the competent international organizations; little success had been achieved in recent years in finding that balance. Recent developments in the Economic and Social Council and at the review of International Development Strategy for the Third United Nations Development Decade showed the way forward. There was room for considerable improvement in the deliberative functions of the General Assembly and the Economic and Social Council in the economic field. An essential element would be high-quality preparatory work by the Secretariat. The agreed conclusions of the review of the Strategy constituted a good point of departure for further discussion on key economic issues in the United Nations. In order to expand the areas of agreement, developed and developing countries would have to create a new confidence

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in the ability of the United Nations to deal with international economic issues in a way acceptable to all parties. The process should be facilitated by improving, in the first instance, the performance and image of the system in areas where the need for improvement was most generally recognized. The Nordic countries suggested four areas for action, namely co-ordination, the role of the Secretariat, the organization of work and programme and budget implications.

55. The United Nations Charter clearly stated the crucial role of the General Assembly and the Economic and Social Council in co-ordinating the activities of the system and entrusted those two bodies with the responsibility of making recommendations for co-ordinating the policies and activities of the specialized agencies. How, then, could that mandate be fulfilled? In the view of the Nordic countries, the many operational activities of the United Nations constituted one of the Organization's major achievements, and so it was in the interests of all countries and agencies that these activities should be carried out as efficiently as possible. Better co-ordination of operational activities would contribute to that goal and enhance the image of the Organization. The Second Committee and the Economic and Social Council should address that question as a matter of priority. The efforts to redress the serious problems of sub-Saharan Africa were a clear illustration of the need for co-ordination in the choice of priority sectors, the identification of special needs and the selection of the most efficient channels for providing assistance. In its response to the emergency situation in Africa, the United Nations had shown that it was capable of working quickly and efficiently. The experience gained should be carefully examined so as to identify possible lessons for the future. Co-ordination, essential in emergency situations, was equally indispensable in long-term development efforts, where it deserved higher priority both at Headquarters and in the field. That was particularly true for technical co-operation, where active support was needed for the central financing and co-ordinating role of UNDP. Donor and recipient countries and executing agencies should wholeheartedly support a co-ordinated approach and make full use of existing co-ordinating mechanisms. The General Assembly and the Economic and Social Council should be called upon to exercise more actively their responsibilities for co-ordinating the operational policies and activities of the United Nations system. In that connection, the Nordic countries looked forward with interest to the next comprehensive review of the operational activities of the United Nations system, scheduled for 1986. To that end, the annual report of the Director-General for development and International Economic Co-operation on operational activities could be expanded to include a chapter raising co-ordination questions of policies affecting several organizations.

56. The responsibilities of the Secretariat had increased considerably since 1945, as had its staff, divisions and sub-divisions and the number of funds and operational programmes that it directed. Co-ordination within the Secretariat had thus become more difficult, and the risks of overlapping had grown considerably. The Nordic countries welcomed the efforts made to improve the Secretariat's efficiency, for example the introduction of the medium term plan and the programme budget and the establishment of the Office for Programme Planning and Co-ordination and the Programme Planning and Budgeting Board. In their view, efforts should now be made to ensure that the organization secured the services of persons with the highest standards of efficiency, competence and integrity. Member States had a



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clear responsibility in that regard, to reduce the number and volume of documents, to ensure that reports from the Secretariat were more concrete and action oriented and encourage the Secretariat to be bolder in its suggestions - while basing them on the facts - and to involve the Secretariat more effectively in negotiations among Member States.

57. He felt that the most important problem facing delegations was how to improve the organization of the work of the United Nations. Like the Secretary-General, he regretted the fact that there were too many routine items, that agendas were overloaded, that debates were too vague and that experts from capitals were participating less and less, and hoped that the situation could be remedied. The adoption of a biennial work programme was a step in the right direction, and the Nordic countries appealed to all member States strictly to respect the biennialization of work in an effort at rationalization. Further consideration should also be given to how to limit the number of meetings and shorten their duration, to how to improve the preparation of meetings and the dialogue between Members States (for example, by studying the input by the Secretariat, the use of informal contacts among groups, especially to assess the prospects of achieving results on core issues), to the question of rationalizing meeting agendas (for example, by applying sunset rules to agenda items, facilitating deliberations by merging items, thus avoiding consideration of some issues under several different agenda items) and to the rationalization of decision making and the concentration of negotiations on high priority issues. In that connection, the question of resolutions deserved special attention. Resolutions on the economic sector should as far as possible be adopted by consensus, so as to ensure that they clearly reflected the aim and will of all parties and that they would be properly implemented. At the same time, the Nordic countries recognized that it was legitimate to adopt resolutions for the purpose of adding political stimulus to efforts to solve special problems and that in such cases consensus was not always possible. Nevertheless, they believed that the introduction of such resolutions should be carefully examined in each case to ensure that the credibility of resolutions was maintained. It was only through a genuine will to achieve consensus on key economic issues that the United Nations could become more effective and work on the basis of clear priorities defined and respected by all. It was equally essential for the credibility of the committee's work to avoid repetitive or routine resolutions which detracted attention from priority questions. More resolutions did not represent more effective commitment by Member States. For instance, the numerous resolutions adopted each year calling for special assistance to countries or subregions could be included in one omnibus resolution.

58. With respect to the consensus on programme and budget, the Nordic countries did not subscribe to the concept of zero growth but supported the view that the resources of the Organization should be utilized as efficiently as possible. Redeployment of available resources should be considered before new resources were requested. However, the Nordic countries believed that the Organization should be provided with the financial resources needed for it to carry out its work. The question of finances was a sensitive one, and in many countries the reputation of the United Nations was closely linked with the way in which it managed its resources. The adoption by vote of resolutions with programme budget implications



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challenged by certain countries could be counterproductive over a time span, and it would be much preferable if greater efforts were made to achieve a consensus in the case of resolutions whose implementation sometimes required considerable resources.

59. The problems facing the United Nations reflected global realities, differences of opinion and interests. The United Nations was a unique forum for sorting out those differences, and the functioning of the system - co-ordination among its entities, the role of the Secretariat and the organization of work were therefore of vital importance. Improvements in procedures could not, however, replace the most important condition of progress, namely, the willingness of member countries to co-operate and show a willingness to compromise.

The meeting rose at 1.05 p.m.