



SUMMARY RECORD OF THE 19th MEETING

Chairman: Mr. BIRIDO (Sudan)

later: Ms. ERIKSSON (Sweden)

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The meeting was called to order at 3.25 p.m.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued) (A/40/3, 19, 108, 109, 173, 190, 276, 303, 321, 329, 340, 342, 347, 353 and Corr.1 and Add.1 and Corr.1, 363, 366, 367, 374, 381, 384, 392, 407, 409, 420 and Corr.1, 458, 476, 477, 489, 525, 534, 633 and Add.1, 735, A/C.2/40/L.2-L.6).

1. Mr. SIAZON (Director General of the United Nations Industrial Development Organization) said that the regular budget of UNIDO for the biennium 1986-1987 approved by the Committee for Programme and Budget had provided for a growth level of 0.8 per cent from the budget suggested by the Secretary-General. However that could in fact be regarded as negative real growth, if account was taken of certain new expenditures that UNIDO would now have to assume as a result of its conversion into a specialized agency and which did not appear in the Secretary-General's proposed budget. For example, with respect to the Industrial Senior Field Advisers programme, which formed a crucial element of technical co-operation activities, it had been decided that UNIDO should finance the nine adviser posts currently included in the regular budget of the United Nations. With respect to the financing of the programme of the Industrial Development Decade for Africa in 1986-1987, it had been decided that an allocation of \$8.6 million would be included in the regular budget of UNIDO, on the understanding that the United Nations would thereafter pay the sum of \$1.4 million directly to the Economic Commission for Africa for implementation of the programme. UNIDO would therefore have to use its limited resources to optimum effect to assist the developing countries. To that end, the UNIDO secretariat would be restructured to avoid duplication of work and its programmes would be more action-oriented. An ad hoc advisory group of experts would also be established to advise the Director-General, at the highest level, on the content and direction of the programmes.

2. UNIDO's future work programme would place more emphasis on the priority areas determined by the Fourth General Conference (development of human resources, rural development, establishment of small-scale industries, implementation of energy projects, particularly in the least developed countries, and development of agro-industries). If it was to be effective, UNIDO would require adequate resources, but its liquidity situation was critical. Under General Assembly resolution 34/96, the Secretary-General had been authorized to loan UNIDO a sum equal to half the appropriations for 1985, to cover its initial operating expenses. As the contributions to UNIDO for 1986 would not all be available from 1 January, but would be spread over the year, it was vital that UNIDO should receive the \$25 million loan the Secretary-General had proposed so that it could meet its financial obligations. Furthermore, in view of the small amount of \$6 million recommended by the Programme and Budget Committee for the working capital fund, UNIDO would face a serious liquidity problem during its second biennium (1988-1989), by which time it would have repaid the United Nations loan. The new specialized agency should have adequate resources so that it would not have to face a serious financial crisis from the very outset.

3. Mr. WALTER (Czechoslovakia) said that the debates in the second regular session of the Economic and Social Council in 1985 and the resolutions adopted

(Mr. Walter, Czechoslovakia)

there had shown the urgent need to restructure international economic relations on a fair and democratic basis and to establish a new international economic order.

4. To that end, it was essential to eradicate colonialism in its various forms, including economic neo-colonialism, thus eliminating one of the main obstacles to the implementation of the International Development Strategy for the Third United Nations Development Decade. His delegation felt that the United Nations was duty bound to put an end to the system of exploitation at the international level.

5. One of the prerequisites for the success of that endeavour was the multilateral safeguarding of international security. International economic relations were being jeopardized and seriously disturbed by failures to comply with contractual obligations, by growing mistrust among States and the use of economic pressure for political reasons, especially against developing countries which sought to strengthen their independence and took steps that did not serve interests of certain developed capitalist countries.

6. His delegation had already explained its position on the alleged crisis of multilateralism and the proposals for seeking a so-called new development consensus. The fulfilment of the fundamental tasks of the United Nations in the field of international economic co-operation would only be delayed if important international economic questions were dealt with forums other than the United Nations or if new economic approaches were designed to the detriment of the implementation of crucial resolutions. In that context, his delegation had welcomed the document of the Group of 77 (A/40/762) requesting the establishment of more just international economic relations.

7. The establishment of the code of conduct for transnational corporations was another essential element in the restructuring of economic relations. The efforts made to expedite the drafting of the code had unfortunately been hindered by certain advanced capitalist countries which opposed the "package proposal" put forward by the Chairman of the 1983 special session of the Commission on Transnational Corporations and by the manner in which they had manipulated the term "transnational corporations". Czechoslovakia had adopted a constructive attitude especially by approving paragraphs 1, 2 and 3 of the "package proposal".

8. Lastly, with regard to the critical economic situation in Africa, he recalled Economic and Social Council resolution 1985/80 and said his delegation considered that a special session of the General Assembly devoted to that subject and the convening of an international conference on the African countries' foreign debt could be important milestones in the struggle against neo-colonialism, economic underdevelopment and the negative impact of the activities of transnational corporations on the African continent. Particular attention should be paid to the possibilities for improving the economic and social situation of a number of African developing countries if an end was put to the apartheid régime in South Africa and the illegal occupation of Namibia and a general reduction in tension and military expenditure was achieved in southern Africa. The Economic and Social Council should be even more emphatic in insisting that all countries and

(Mr. Walter, Czechoslovakia)

international bodies, in particular the International Monetary Fund, should cease providing support to the South African régime.

9. Mr. FREYBERG (Poland) noted that in spite of many complaints about the declining role and lack of efficiency of the Economic and Social Council, no delegation had denied its importance. On the contrary, many delegations had put forward proposals for improving its functioning. In that regard, the number of members was not a major problem, provided that there was equitable geographical representation and that non-member countries could take an active part in consultations and negotiations. But, while there was no need to increase the membership, the Council should not be turned into an exclusive club for the major economic Powers to take decisions in the name of mankind.

10. In order to improve the co-ordinating functions of the Council, it would be better to have specific discussions on selected problems, for example on the critical economic situation in Africa, rather than to waste time in a sophisticated exercise irrelevant to the major priority questions. Co-ordination should be a means and not an end. Moreover, it was not advisable to limit the scope and duration of the general debate, the only opportunity countries had to outline the essence of their economic policies, which was important in seeking common ground. However, a few priority items could be selected for consideration outside the general debate that could be studied in a comprehensive manner, taking into account the need to co-ordinate the activities of the whole United Nations system, and decision-making would be concentrated on them.

11. His delegation was concerned at the tendency to limit the work of the Council to the most pressing problems. They should certainly be dealt with immediately, but most problems, for example the world economy and international economic relations, which were closely interdependent, could only be solved by taking a global and far-sighted approach.

12. Lastly, he recalled that in 1982 Poland had put forward the idea of confidence-building measures in international economic relations. Such measures would create the basis for an international economic security system, the need for which was felt particularly by small and medium-sized developing countries. He welcomed the statements made along the same lines by several delegations in the course of the general debate. His delegation, for its part, fully supported the draft resolution entitled "International economic security: a major condition for accelerating the economic decolonization of developing countries" (A/40/3, chap. II, para. 61) which the Soviet Union had submitted at the summer session of the Economic and Social Council. It also supported the draft resolution on conducting constructive and action-oriented economic negotiations (A/40/3, chap. II, para. 64), submitted by the German Democratic Republic.

13. Mr. HUSSAIN SAFI (Afghanistan) noted that the socio-economic situation in the developing, and particularly the least developed, countries was continuing to deteriorate mainly because of the global economic recession of the 1980s. The heavy debt burden and the outflow of financial resources were impeding development. It was

(Mr. Hussain Safi, Afghanistan)

urgent for the international community to adopt appropriate measures to solve current problems through co-operation. Unfortunately, the developed capitalist countries had responded negatively to the just demands of the developing countries for the establishment of the new international economic order, the implementation of the Charter of Economic Rights and Duties of States and the International Development Strategy, and the convening of an international conference on money and finance for development.

14. At its second regular session of 1985, the Economic and Social Council had examined three issues in depth: food and agriculture, the mobilization of financial resources for industrial development, and assistance to the Palestinian people. Questions relating to food and agriculture, in particular, should be at the centre of concern for the international community. The developed countries, the international financial institutions and the specialized agencies should substantially increase their development assistance in those sectors in order to achieve the goals established by the world Food Conference in 1974 and by the International Development Strategy for the Third United Nations Development Decade, and to eliminate hunger and malnutrition. Food was a fundamental and universal human right and his delegation condemned its use by certain developed capitalist countries as an instrument of political pressure against the developing countries.

15. Concerning the mobilization of financial resources for industrial development, unfortunately the world economic crisis and the lack of financial resources had impeded the industrial development of the developing countries. It seemed that no progress had been made towards realizing the objectives set by the Second and Third General Conferences of UNIDO. The relative share in world industrial production of the developing countries had not in fact evolved substantially in the last 10 years. It was therefore essential to restructure world industrial capacity in such a way as to promote the industrial development of those countries. In that respect, it was important for the international community, especially the developed countries and multilateral financial institutions, to step up their financial and technical assistance to the specialized agency that UNIDO had now become by increasing their contributions to the United Nations Industrial Development Fund.

16. Lastly, with regard to assistance to the Palestinian people, his delegation welcomed the activities of the various United Nations bodies concerned. It hoped that such assistance would be increased, that the United Nations would provide a better plan of action for such activities in order to achieve the socio-economic objectives of the Palestinians, and that the international community would assist them to solve their problems. Afghanistan fully supported the legitimate rights and permanent sovereignty of the Palestinian people over its national resources in the occupied territories. It would continue its strong support for the Palestinian people in their struggle under the leadership of the Palestine Liberation Organization.

17. Mr. TURJANSKY (Ukrainian Soviet Socialist Republic) welcomed the adoption in 1985 by the Economic and Social Council of a series of decisions which would undoubtedly contribute to consolidating the progressive and equitable principles

(Mr. Turyansky, Ukrainian SSR)

on which international economic relations should be based. It should, however, be noted that during the second regular session of the Council its members had not been able to agree on important draft resolutions relating to the holding of constructive and action-oriented international economic negotiations, long-term economic development trends and the strengthening of economic security. In that connection it should be emphasized that the activities of the Council, like the process of consideration by the United Nations of the problems of the restructuring of international economic relations, were compromised by the imperialist forces' policy of further stepping up the arms race, an escalation that was absorbing enormous material and financial resources and was one of the principal causes of the growing political and economic instability in the world. By seeking to use international economic relations for their own political ends, the imperialist forces were undermining United Nations efforts and impeding the development of co-operation based on equity. However, the adoption of decisions aimed at strengthening economic security would enable the General Assembly to discharge the function that had been assigned to it. Moreover, in order for the Organization to serve as an effective framework for constructive negotiations, Member States should participate actively in collective efforts to that end, in particular by creating a favourable climate for negotiation.

18. With regard to the study of long-term economic and social development trends in the world, the Ukrainian SSR considered that better knowledge of those trends would be a solid basis for elaborating a development strategy and would permit the establishment of multilateral, regional and international co-operation.

19. The situation of the Commission on Transnational Corporations and the state of its work should be appraised. In addition, concrete decisions should be taken to counter effectively the machinations of private multinational corporations, a step which the representatives of western countries where the monopolies' head offices were situated, naturally opposed. The delegations of a number of those countries had adopted a veritable policy of obstruction towards the decisions of the Council and of the General Assembly which defined the aims and activities of the Commission. The more precise the text of the code of conduct for transnational corporations became, the more those delegations tried to distort the Commission's mandate and the provisions of the code already agreed, in particular those concerning the restructuring of international economic relations and the establishment of a new economic order, as a way of calling into question the very idea of formulating a code. As the public hearings on the activities of transnational corporations in South Africa and Namibia recently held to implement Economic and Social Council decision 1985/127 had shown, they were confounding United Nations objectives in southern Africa and impeding elimination of the apartheid régime and Namibia's accession to independence. The measures taken by some Western Governments to restrict their relations with the Pretoria régime were inadequate. All co-operation of the transnationals with that régime should be forbidden and an end should be put to the pillaging of Namibia. The General Assembly should bring all its weight to bear to halt current practices and should denounce the aims of certain countries and the policies of neo-colonialism and imperialism. However, it was a matter for satisfaction that most countries

(Mr. Turyansky, Ukrainian SSR)

participating in the Commissions' work were following a constructive policy of co-operation to enable it to fulfil its purpose, which hopefully it would be able to do in 1986.

20. Mrs. LACANLALE (Philippines) said that on the subject of population, her country adhered to the recommendations of the International Conference on Population held in Mexico in 1984 and to the principles and objectives of the World Population Plan of Action. Her delegation had noted with interest the conclusions of the biennial report on the world population situation, notably on the interrelationship of population and development. Unchecked population growth without an attendant increase in productivity and the judicious utilization of available resources would depress people's living standards and impose severe strains on social services. Population problems were complex and it was laudable that the United Nations Fund for Population Activities was considering them in relation to the totality of human experience.

21. On the food problem, her country welcomed the relief efforts of the international community to assist victims of famine, whether through private volunteer organizations, the United Nations or private individuals. But short-term relief efforts must be supplemented by sustained international action to achieve world food security in the the long run. Governments should take more sharply-focused action to make the elimination of hunger and malnutrition one of their truly central objectives.

22. Her delegation was happy to note the extensive efforts made by the World Tourism Organization (WTO) to apply the innovative thrust of the Manila Declaration and the Acapulco document on world tourism. It was a particularly welcome fact that WTO now considered tourism to be an integral part of the movement of persons and one of the elements contributing to the economic development of countries, while at the same time taking account of the need to protect their cultural traditions and also, most importantly, taking into consideration the social consequences of tourism in host countries, notably the risk of eroding moral values.

23. The measures which the first Director-General of UNIDO intended to introduce to increase the effectiveness of his organization through the judicious use of resources were also welcome, but her delegation noted with concern the low level of funding for its operations in the coming biennium. Having become a specialized agency, UNIDO needed the full support of member States which should do their utmost to solve the current cash-flow problem. Finally, the Philippines reaffirmed its support for the principles of the Afro-Asian Conference held at Bandung, whose 30th anniversary had been marked in April 1985 by a commemorative meeting and declaration (A/40/276).

24. Mr. UGAROV (Council for Mutual Economic Assistance) said, on the subject of scientific and technological progress, that the CMEA countries were drawing up together an integrated scientific and technological development programme to the year 2000 which should make it possible to utilize high technology, renew productive resources and settle other important economic and social problems.

(Mr. Ugarov)

The Council was also strengthening its ties with the Economic Commission for Europe (ECE), UNESCO, WHO and UNEP in the scientific and technical fields in order to discuss problems of common interest with those organizations. Its committee for scientific and technological co-operation had also adopted a programme of joint measures aimed at implementing the Vienna Programme of Action at the regional level. In recent years, the Council's member countries had also organized international seminars in which specialists from developing countries in various regions of the world had participated. Finally, CMEA was taking an active part in the meetings of government advisers on science and technology of ECE countries, where it had submitted a whole series of specific proposals for strengthening its co-operation with ECE on scientific and technological questions of common interest. It also envisaged measures to strengthen its ties with UNESCO in connection with certain projects appearing in that organization's medium-term programme for 1984-1989.

25. CMEA attached great importance to preserving and improving the environment and to the rational utilization of natural resources. Being aware of the fact that most environmental questions were world-wide in scope, its member countries had been seeking since 1972 to co-operate in the scientific, technological and industrial fields to solve the complex problems of protecting the environment from pollution. The results were being put to use in their national economies. So far, that co-operation had no parallel elsewhere in the world. In order to co-ordinate the actions undertaken, an overall programme of co-operation was provided for in every five-year plan. That programme took account of the broad guidelines for international co-operation laid down in United Nations programmes and in the Final Act of the Conference on Security and Co-operation in Europe. Various technological processes, new devices and equipment and other facilities had also been improved so as to reduce environmental pollution and help protect nature.

26. CMEA was intent on developing its co-operation with such international organizations as UNEP, UNESCO, WMO and WHO on environmental issues. It also sought to implement the Convention on Long-range Transboundary Air Pollution and the Declaration on Low- and Non-Waste Technology and Re-utilization and Recycling of Wastes, adopted in 1979. It was successfully carrying out projects under the co-operation agreement concluded with UNEP and was organizing courses and seminars in that context. CMEA member countries were also participating actively in the study being carried out by UNEP on the correlation between environmental protection and disarmament. Finally, co-operation between CMEA and UNESCO was taking place mainly under the long-term intergovernmental "Man and the Biosphere" programme.

27. The CMEA countries believed that new and renewable sources of energy could play an important part in solving energy problems, which was why they had undertaken to work together to exploit renewable sources of energy under a multilateral scientific and technological co-operation programme which had given tangible results in various fields. The CMEA committee concerned with scientific and technological co-operation and other organs of the Council were also considering ways of helping to implement the Nairobi Programme of Action. But it was for the developing countries themselves to implement that Programme by means of



(Mr. Ugarov)

progressive social and economic changes. Experience had shown that it was the public sector that best enabled developing countries to utilize their financial and human resources effectively and to incorporate the exploitation of new and renewable sources of energy in their national economic and social development plans. Finally, the CMEA countries were preparing to take part in the scheduled seminar on the situation and prospects of new and renewable sources of energy in the ECE region.

28. Mr. KAWASHIMA (Japan) agreed with the President of the Economic and Social Council that the deliberations of the Council's second regular session in 1985 had been constructive. The efforts made to rationalize its activities were giving satisfactory results. The Council's intensive deliberations on such priority items as the critical economic situation in Africa and the President's summary on the interrelated problems of money, finance, trade and debt, demonstrated that the Council could respond effectively to the world's changing social and economic needs. Now that there was agreement on the need to revitalize multilateral economic and social co-operation, the Council should provide guidance not only for efforts within the United Nations system but also with regard to international co-operation on global economic and social issues. In that connection, the Council could provide better opportunities than the General Assembly for intensive deliberations. It was to be hoped, therefore, that Member States would participate in its activities in a constructive manner and that the Secretariat would supply it with even more concrete reports.

29. Food and agriculture were of particular importance for promoting economic development and solving the crisis in Africa. The Chairman of the Group of 77 and the Director General of FAO had made important comments on the subject. The discussions of bodies concerned with food and agricultural problems, including FAO, WFP and the World Food Council, had revealed a greater convergence of views on the strategies to be adopted. They had also underscored the need to strengthen co-operation among donors, recipient countries and the international organizations concerned. The determination of some recipient countries to increase food production was encouraging, but greater efforts were necessary at the national and international levels. His delegation hoped that the Committee would, without delay, adopt the draft resolution on food and agricultural problems, which had been unsuccessfully submitted to the Economic and Social Council at its second regular session.

30. The regional commissions had a vital role to play in decentralizing United Nations activities and promoting economic co-operation among developing countries. While they were effective in promoting regional development, it should not be forgotten that they were working under the auspices of the Economic and Social Council and must, therefore, maintain close ties with the Council and the other relevant organs of the United Nations. It was, after all, their role to carry out activities under the general guidance of the United Nations and to fulfil the general objectives established by the main bodies. It was desirable for the executive secretaries of the regional commissions to meet with the representatives of other organs and of Member States during the summer sessions of the Council.

(Mr. Kawashima, Japan)

31. His delegation welcomed the decision to reconvene, in January 1986, the special session of the Commission on Transnational Corporations in order to complete the drafting of the code of conduct. However, differences in positions had not really narrowed even though negotiations had been dragging on for many years. Japan was prepared to continue its efforts but the negotiations must not go on forever. It therefore sincerely hoped that agreement would be reached on a code during the reconvened special session.

32. Mr. MOKADDEM (Tunisia) endorsed the statement made by the Chairman of the Group of 77 on the agenda under discussion. The critical situation in Africa remained a prime area of concern since it jeopardized both the region's stability and efforts to give a new impetus to development and world economic activity in view of the interdependence of countries and the interrelationship of finance, trade and currency. Africa was aware of the difficulties. The Heads of State and Government of the States members of OAU had recently reaffirmed that responsibility for African development lay first of all with the African Governments and peoples themselves. However, in order to be successful, their efforts must receive the support of the international community in the form of concrete action.

33. It was also important to keep in mind that a balance must be struck between short-term, medium-term and long-term intervention. Initiatives taken thus far had been helpful in coping with emergency situations but had not ensured the resurgence of sustained and lasting economic growth, which was the goal of the priority programme for the economic recovery of Africa (1986-1990) recently adopted by OAU. That programme rightly attached a high priority to the food and agricultural sector which made it possible to respond to the basic needs of populations and to re-establish the African economy on a solid basis. His delegation had listened closely to the Director-General of FAO and thanked the Secretariat for its fine report on the critical situation of food and agriculture in Africa, 1984-1985 (A/40/329-E/1985/80), which included some sensible proposals. One figure which had in particular caught the attention of his delegation was the mere 1 per cent rate of increase in food production in the early 1980s, which indicated the scale of the efforts that would have to be made to meet the needs of a population increasing at the rate of 3.1 per cent annually.

34. The proposals in that document attested to the need to speed up implementation of programmes and measures already adopted at the international level (United Nations decades concerning various aspects of African development, the FAO world food security programme, the replenishment of IFAD's resources, strengthening of the World Food Programme, etc.).

35. The problems of desertification and drought deserved special attention and should not be regarded as inevitable. Countries should take vigorous action on the basis of the strategy defined by the Ministerial Conference on desertification, held at Dakar in July 1984. A report recapitulating the activities undertaken and formulating proposals for improving co-ordination might well be submitted to the General Assembly at its forty-first session.

(Mr. Mokaddem, Tunisia)

36. The problem of Africa's external debt, which was specifically related to international monetary disarray, the proliferation of protectionist measures and diminishing financial flows to Africa, also called for urgent action on the part of the international community. An international conference on the matter should be organized, with the participation of all parties concerned, to address the problem of African indebtedness from an overall perspective, emphasizing the principles governing debt management and measures aimed at easing the debt burden. The need to adopt a comprehensive and integrated approach had led OAU to propose the convening of a special session of the General Assembly devoted to the critical situation in Africa and short-term, medium-term and long-term development prospects.

37. Ms. Eriksson (Sweden) took the Chair.

38. Mr. KOLEV (Bulgaria) said that the Economic and Social Council was called upon to play the principal co-ordinating role in promoting international economic co-operation on a just and democratic basis. His delegation shared the opinion expressed by the majority of delegations at the second session of the Council in 1985 that concrete measures must be taken to solve world economic problems and those of the developing countries in particular. Strengthening peace and confidence in international relations was a prerequisite for economic and social development, and concern had been quite rightly expressed at the escalating arms race and the consumption of material and human resources that it entailed. His delegation endorsed the resolutions and decisions adopted at that second session on such important issues as the critical economic situation in Africa, implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples by the international institutions associated with the United Nations, assistance to the Arab people of Palestine, assistance for the reconstruction and development of Lebanon, activities of transnational corporations, disaster relief assistance and food problems.

39. Bulgaria reiterated its whole-hearted support for the African countries in a critical economic situation and its intention to provide them with assistance to the best of its abilities. The efforts of certain countries to maintain the existing inequitable system of international economic relations was one of the serious obstacles to solving the economic problems of developing countries and of African countries in particular. The proposal of the African countries to include, in Council resolution 1985/80 on the critical economic situation in Africa, a provision for convening an international conference on the debt of African countries had unfortunately not been adopted and there was a mounting outflow of financial resources from developing countries to the market-economy countries, while such practices as protectionism, discrimination and the application of economic measures as a means of political coercion had deleterious effects. As expressed by many countries, debt problems and their consequences should be considered in the context of the interrelationship of trade, finance and development. The socialist countries had repeatedly proposed realistic measures for eliminating the factors underlying the economic difficulties of the developing countries. The latest example was the declaration of the States members of the Warsaw Treaty, adopted at their Sofia session, which had reaffirmed the adherence

(Mr. Kolev, Bulgaria)

of the socialist countries to the principles of equitable and mutually advantageous international co-operation and the restructuring of international economic relations on a just and democratic basis. Several draft resolutions submitted to the Council in 1985 (E/1985/L.51, L.52 and L.56) contained specific proposals on that issue and should be considered by the General Assembly at its current session.

40. His delegation attached great importance to finalizing and adopting the code of conduct for transnational corporations. It was well known that the real motive behind the attempts to promote the free-market economy mechanism as the only correct road to development for developing countries was to check the process of economic decolonization and to prevent States from exercising effective control over their own natural resources whereby they would no longer be available for exploitation by foreign corporations. The Economic and Social Council must assist developing countries to strengthen the State-owned sector of their economies in compliance with the relevant United Nations resolutions and with the programme documents of the new international economic order. Due consideration should be given to the role of national cadres in the social and economic development of developing countries during the current session of the General Assembly.

41. His delegation supported resolution 1985/59 adopted by the Council on the occasion of the twenty-fifth anniversary of the adoption of the Declaration on the Granting of Independence to Colonial Countries and Peoples. It also supported resolution 1985/57 on assistance to the Palestinian people and resolution 1985/58 on economic development projects in the occupied Palestinian territories, as also the relevant activities of the Council.

42. At its second session in 1985, the Council had devoted serious attention to food and agricultural problems. Bulgaria had provided food assistance to a number of developing countries in Africa and therefore supported the efforts of the international community, including those of the Council and the United Nations, to solve the food problem and eliminate hunger, poverty and malnutrition. It had made an effort in FAO to find ways and means of solving the food problem. FAO could not, however, by itself solve the food problem as a whole. The concerted efforts of the entire international community would be necessary. Bulgaria attached special importance to Council decision 1985/196 on that subject particularly to the concept that world peace and security and international co-operation were highly relevant to solving the food problem.

43. Mr. BA (Senegal) said that his delegation fully shared the concerns of the Group of 77 and proposed to lay special emphasis on food problems and the problems of the countries afflicted by drought and desertification.

44. Senegal welcomed the efforts of the Director General of FAO to make the international community aware of the need to meet the challenge of the century, namely the elimination of hunger in the world. Indeed, if much greater effort was not forthcoming, the lives of hundreds of millions of Africans would be threatened. The World Food Council, at its eleventh session, had reaffirmed that the African crisis was central to its concerns. Although the international

(Mr. Ba, Senegal)

community had responded generously to the urgent assistance needs of Africa, it must redouble its support in order to stimulate food production and ensure its supply. The Heads of State and Government of the African countries had recently adopted a declaration and a priority programme for the economic recovery of Africa and had undertaken to allocate between 20 and 25 per cent of public revenues to the agricultural sector.

45. Contrary to expectations, the report (A/40/392) prepared pursuant to General Assembly resolution 39/208 was very brief and left many gaps. Claiming lack of time and information, it had given no guidance on implementation of the provisions concerning co-ordinated assistance in support of the rehabilitation process and of reviving the growth of agricultural production, on the priority which should be given in development assistance programmes to the campaign against desertification and drought, on the UNCTAD study referred to in paragraph 9 and other studies undertaken by the United Nations agencies, and finally on the use of technologies to combat desertification. Concerning the report requested in paragraph 13, the Secretariat had done no more than refer to its reports on the implementation of the medium-term and long-term recovery and rehabilitation programme in the Sudano-Sahelian region and the annual reports of UNEP on implementation of the Plan of Action to Combat Desertification. The Secretariat's progress report limited itself basically to a study of the causes of desertification and drought and, even then, it had done no more than provide a brief summary of the comments of a number of experts and a preliminary draft classification of the countries affected by these scourges. Aware of those gaps, the Secretariat had proposed that a more comprehensive report should be submitted to the General Assembly at its forty-first session. Senegal therefore reaffirmed the need for a report which would take account of resolution 39/208. In that connection he stressed the importance of obtaining a better grasp of the impact of drought on trade, food production and agriculture, the management of water resources and industrialization.

46. At the international level, Senegal awaited with interest the results of the second Ministerial Conference for a joint policy to combat desertification in the countries of the Permanent Inter-State Committee on Drought Control in the Sahel, the Economic Community of West African States, in the Magreb countries and in Egypt and the Sudan, in the countries of the African Environmental Conference to be held in Cairo in December 1985 and the Paris Conference on forest protection (6 and 7 February 1986). At the national level, Senegal was vigorously pursuing its campaign against desertification under the leadership of President Abdou Diouf. The Head of State of Senegal, who was also President of OAU, had recently taken part in the international seminar on draught and desertification held at Washington on the initiative of the United States Congressional Black Caucus Foundation and on that occasion had pointed out that emergency assistance, however useful, was not enough. In fact, the problems of drought and desertification called for medium-term and long-term action. Africa was ready to meet the challenge with the financial and intellectual assistance of the international community.

47. Senegal emphasized the importance which it attached to the activities of transnational corporations in South Africa and Namibia. It also fully supported

(Mr. Ba, Senegal)

the proposal that the findings of the public hearings on the activities of those corporations should be brought to the attention of Member States as a means of strengthening the case for implementing the relevant recommendations.

AGENDA ITEM 84: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued)  
(A/40/3, 109, 173, 184, 185, 202, 203, 220, 235, 276, 303, 305, 321, 327, 330, 340, 342, 347, 366, 374, 384, 401, 407, 458, 459, 476, 477, 489, 495, 525, 534, 544, 545, 582, 640, 672, 708, 762; A/C.2/40/2 and 5; A/C.2/40/L.7:

- (a) INTERNATIONAL DEVELOPMENT STRATEGY FOR THE THIRD UNITED NATIONS DEVELOPMENT DECADE (A/40/48)
- (b) REVIEW OF THE IMPLEMENTATION OF THE CHARTER OF ECONOMIC RIGHTS AND DUTIES OF STATES (A/40/52, 334)
- (d) SCIENCE AND TECHNOLOGY FOR DEVELOPMENT (A/40/37; A/C.2/40/4)
- (f) ENVIRONMENT (A/40/25, 644, 650; A/C.2/40/L.11)
- (g) HUMAN SETTLEMENTS (A/40/8, 373, 689)
- (h) INTERNATIONAL YEAR OF SHELTER FOR THE HOMELESS (A/40/8, 406 and Corr.1)
- (i) EFFECTIVE MOBILIZATION AND INTEGRATION OF WOMEN IN DEVELOPMENT (A/40/703 and Corr.1; A/CONF.116/4)
- (k) NEW INTERNATIONAL HUMAN ORDER: MORAL ASPECTS OF DEVELOPMENT (A/40/591)
- (l) LONG-TERM TRENDS IN ECONOMIC DEVELOPMENT (A/40/519; A/C.2/40/L.10)

48. Mr. FIELD (United Kingdom), speaking in exercise of the right of reply, said that, on 25 October, the representative of the Byelorussian Soviet Socialist Republic had replied in some detail to certain points which he had made in his intervention of 23 October. The most important point to emerge from those comments was that a consensus seemed to be emerging on the need to examine more closely issues such as the volume and quality of aid and the requirements for direct investment.

49. He had been amazed to hear the Byelorussian representative say that the United Kingdom had sabotaged decisions of the socialist countries and the United Nations on peace and disarmament; the United Kingdom delegation had worked positively for disarmament in many forums, including the First Committee which was the correct forum for discussing those issues. If those discussions were successful, there would undoubtedly be a release of funds for development. In that connection, it was to be hoped that the Byelorussian Soviet Socialist Republic and its neighbours would also increase their contribution to development and be more willing than they were at present to participate in United Nations peace-keeping activities.

(Mr. Field, United Kingdom)

50. The countries of East bloc constantly criticized Western efforts in the area of aid but refused to go into detail regarding their own efforts. For example, they stated that their trade with the developing countries was growing, but they did not provide much in the way of figures to support their statements. In fact, over the past four years, the socialist countries had enjoyed a substantial positive balance of trade whereas developed Western countries, which imported far more than they exported, had had a huge deficit. It was for that reason and not because - as the representative of the Byelorussian SSR had stated - it contested the figures cited by the East bloc countries that his delegation had requested greater clarity with regard to those figures.
51. Furthermore, the East bloc figures for official development assistance were often given as a percentage of national material product, which was a much narrower definition of national production than the gross national product used by other countries, since it excluded services which could account for up to 50 per cent of the output of a developed country. Thus, those data were misleading and were not comparable with those supplied by the Development Assistance Committee.
52. He emphasized that the point he had made on private direct investment was that that type of investment offered one of the most dynamic methods of transferring resources, technology and spin-off effect to the developing countries, and the importance of such investment was widely recognized. If the East bloc really wanted to contribute to the consideration of development issues in a manner helpful to the developing countries, they should present their data in a clear and easily comparable form.
53. Mr. Birido (Sudan) resumed the Chair.
54. Mr. SCOTT (United States of America), speaking in exercise of the right of reply and referring to the charges made against his country by the representative of Nicaragua at the 17th meeting of the Committee, said that every nation had the right to choose its trading partners. The measures which had been taken by the United States with regard to trade with Nicaragua did not violate any recognized international instrument - neither the Charter of the United Nations, nor the Charter of the Organization of American States, nor the General Agreement on Tariffs and Trade, nor the Treaty of Friendship, Commerce and Navigation between the United States and Nicaragua. With regard to infringements on sovereignty, the United States was not occupying any sovereign State, nor was it engaged in the systematic export of subversion and terrorism to its neighbours. Unfortunately, the same could not be said for Nicaragua and its allies.
55. The Nicaraguan charges were only attempts to deflect attention away from the dismal economic policies of the current régime and to find a scapegoat for the commandantes' mismanagement of the Nicaraguan economy. That blundering had resulted in a 25 per cent decline in the per capita GNP since the revolution, while foreign aid supplied to that country had been five times more than under the previous régime, and the United States alone had given \$118 million for that purpose. Furthermore, Nicaragua's foreign debt had tripled, and that country was

(Mr. Scott, United States)

so far in arrears in its repayments that it was no longer considered creditworthy by commercial banks. The measures taken against the private sector - confiscations, controls on prices and wages, high taxes - which had strangled private enterprise and discouraged production, had prompted many Nicaraguan businessmen and professionals to flee the country. Finally, the Nicaraguan Government had adopted a hostile policy towards the country's largest independent labour confederations, as had been pointed out in the most recent ILO report on freedom of association.

56. Those charges had been also used by the Nicaraguan authorities earlier in October 1985 when they had announced a crackdown on human rights and individual freedoms. However, anyone could recognize those accusations for what they were: an attempt by the Nicaraguan régime to put the blame on others for the war which it was waging against its own people.

57. Mr. MADRIZ FORNOS (Nicaragua), speaking in exercise of the right of reply, said that, since the United States had just asserted that it had violated neither the Charter of the United Nations, nor the Charter of the Organization of American States, nor the General Agreement on Tariffs and Trade (GATT) nor the Treaty of Friendship, Commerce and Navigation between the United States and Nicaragua, it was not out of place to recall article 16 of the Charter of the Organization of American States which expressly prohibited the application of coercive economic measures, as well as article 32 of the Charter of Economic Rights and Duties of States, which contained similar provisions. Articles 1, 2, 5 and 13 of GATT were also pertinent. Referring to the Treaty of Friendship, Commerce and Navigation, he cited article XIV, paragraph 2, article XIX, paragraphs 1 and 3, and article XXIV.

58. The United States had violated the provisions of those instruments as well as the provisions in paragraph 7 (iii) of the Ministerial Declaration of 29 November 1982, according to which the contracting parties had pledged, individually and collectively, to refrain from taking trade-restricting measures for any reason other than economic. Moreover, the United States Government was conducting a war against Nicaragua which had claimed many victims in that country. So far, it had allocated more than \$100 million to the financing of counter-revolution and mercenary bands. In multilateral financial bodies such as the International Labour Office and the World Bank, the United States had continually opposed granting loans to Nicaragua.

59. If the United States had not - as it claimed - violated international law, it should say so not in the Second Committee but before the International Court of Justice which was the competent international authority to deal with that issue and where it would be able to defend its point of view.

60. Mr. NIKITENKO (Byelorussian Soviet Socialist Republic), speaking in exercise of the right of reply, said that the statement just made by the representative of the United Kingdom called for some clarification. The Byelorussian SSR had expressed its disagreement with the view of the United Kingdom representative, who had stated that the estimates concerning the relationship between disarmament and development given in the report of the Secretary-General on long-term trends in



(Mr. Nikitenko, Byelorussian SSR)

economic development (A/40/519) were unrealistic. Actually the interdependence of those two problems had already been widely recognized by the United Nations system. Moreover, work on that question was proceeding and, as all delegations were aware, preparations were being made with a view to holding an international conference on the relationship between development and disarmament.

61. With regard to the way in which information was provided by different countries, it should be recalled that each country had the right to choose the method which it deemed most appropriate for the purpose. The issue was not one of knowing whether the data supplied were absolute or relative, but of knowing whether they were trustworthy and could be correctly interpreted. The determining factor was obviously whether or not one was willing to understand a country's position. Finally, with regard to the lack of political will which certain countries had shown with regard to disarmament - a fact which seemed to be of concern to the representative of the United Kingdom - it was pointless to reopen an issue which was very clear to everyone.

62. Mr. FIELD (United Kingdom), speaking in exercise of the right of reply, pointed out that he had never said that the political will to carry out disarmament did not exist. He had simply said that disarmament activities had been discussed in the First Committee and that disarmament would certainly make it possible to release considerable resources which could be used, in particular, for development purposes - which was not at all the same thing.

63. With regard to the volume of resources that would be released, he considered that the projections on which the figures in the Secretary-General's report (A/40/519) were based, were unrealistic. He was making no value judgement with regard to the volume of resources which could be released but thought that, if a serious examination of that question were to be undertaken, it should begin with realistic projections. In that context, his delegation had simply wished to emphasize that direct investments and the transfer of technology as well as the spin-off effect generated by such investment in the recipient countries, were the best way of releasing more resources for development purposes.

64. Mr. SCOTT (United States of America), speaking in exercise of the right of reply, said that, in his statement, the representative of Nicaragua had quoted a whole series of articles contained in various treaties and charters which the United States had ostensibly violated by adopting economic sanctions against Nicaragua. It should be noted in that connection that the OAS Charter was not of a commercial nature and imposed no obligations in the area of trade. If the Nicaraguan Government nevertheless believed that the United States had derogated from the principles set out in the OAS Charter, nothing prevented it from raising that issue within OAS. It might also use that opportunity to explain why it had not kept the promise it had given OAS upon coming to power to hold free elections, guarantee freedom of the press and association and respect human rights.

65. On the other hand, the General Agreement on Tariffs and Trade and the Treaty of Friendship, Commerce and Navigation were trade agreements. The former expressly

(Mr. Scott, United States)

authorized any contracting party to take "any action which it considers necessary for the protection of its essential security interests". As for the above-mentioned Treaty, it authorized the taking of measures necessary to protect the essential security interests of a Party. The measures taken by Nicaragua against the peace and security of Central America did threaten the essential security interests of the United States, and the United States believed that the economic sanctions it had taken were necessary to protect those interests. Since the Sandinist revolution, Nicaragua had been fully militarized; its military forces had grown from 10,000 to 100,000 men, an enormous figure for a country with barely 2 million inhabitants. In fact, military expenditures absorbed 40 per cent of the national budget. The Sandinist forces had launched attacks in Honduras and in Costa Rica and were training guerillas who operated in El Salvador and Guatemala. In the view of his delegation, such activities posed a serious threat to peace in the region.

66. However, it was the Nicaraguan people itself, against whom the Sandinist Government was waging a war, that was in the greatest danger. The Nicaraguan people were fighting not at the request of the United States, but because the Sandinists had betrayed it and had failed to keep their promises to it. The Nicaraguan people knew that its Sandinist leaders were enjoying privileges which they refused to share with their compatriots, and living a life of luxury in Somoza's former residences while children were dying of hunger because they had no milk. What the Nicaraguan people probably would not learn, after the latest measures taken, was that, as The New York Times had reported, the Nicaraguan Government owed a bill of \$3,500 for designer eyeglasses purchased in New York for Mr. Ortega and his family. Actually, the Nicaraguan people realized that the Sandinist régime was no different from the Somoza dictatorship which had preceded it.

67. Mr. ZVEZDIN (Union of Soviet Socialist Republics), speaking in exercise of the right of reply, noted that the representative of the United Kingdom had spoken on two occasions to say that it was not the role of the Second Committee to consider problems of disarmament and development. If disarmament per se was not within the province of the Second Committee, the Committee ought to concern itself with questions relating to disarmament and development none the less. Moreover, in earlier sessions, the Second Committee had advocated disarmament and had declared that all resources devoted to the arms race should be used for development and economic and social progress, particularly in the developing countries. It was therefore unacceptable for the Western countries to claim now that the issues of development and disarmament were not within the province of the Second Committee.

68. Since the representative of the United Kingdom wanted the socialist countries to furnish more detailed information about their scientific and technical assistance and official development assistance to the developing countries, he, Mr. Zvezdin, wished to inform him that the funds allocated for those activities had not been indicated as a percentage of gross domestic product or net material product, but as a percentage of gross national product. For its part, the Soviet Union had provided the developing countries with assistance in the amount of

(Mr. Zvezdin, USSR)

\$10.67 billion, while assistance from the United Kingdom for the same period amounted to only \$1.43 billion.

69. It was not true, as the representative of the United Kingdom had claimed, that the socialist countries were submitting figures without providing any details. In fact, the Soviet Union had indicated that it had trained 1.5 million specialists from developing countries who had built 1,043 enterprises and more than 700 schools with Soviet assistance. He would like to know how many agricultural and industrial enterprises the United Kingdom had built in those countries. He would also like to know the amount of the capital repatriated to British banks by transnational corporations that continued to operate with impunity in South Africa, even though Mrs. Thatcher had condemned the apartheid régime on the occasion of the fortieth anniversary of the United Nations.

70. His delegation also supported the remarks made by the representative of Nicaragua, since it was generally agreed that boycotts and the adoption of other economic sanctions ran counter to international law. The measures taken by the United States vis-à-vis Nicaragua were entirely contrary to principles recognized internationally in both UNCTAD and the United Nations. Furthermore, it was an insult to the intelligence of delegations to claim, as the representative of the United States had done, that a small country like Nicaragua threatened the security of the United States and that the United States was entitled to impose sanctions for that reason. On the other hand, if Nicaragua had taken measures, it was because it needed to protect its independence.

71. Mr. NIKITENKO (Byelorussian Soviet Socialist Republic), speaking in exercise of the right of reply, said he had followed the statement by the representative of the United Kingdom with interest. However, he feared that the latter had not clearly understood the Byelorussian delegation's position. The Byelorussian SSR in fact believed that the question of disarmament was of great importance and had many aspects which ought to be considered in all organs of the United Nations, particularly in the Economic and Social Council and the Second Committee. The reluctance of certain countries in that respect could only be interpreted as indicative of their utter lack of political will.

72. Mr. MADRIZ FORNOS (Nicaragua), speaking in exercise of the right of reply, noted with concern that the provisions of instruments adopted under the auspices of international organizations and other international agreements were being used to justify policies that had nothing to do with the instruments in question. He also wished to point out that the United States was a huge country and Nicaragua a very small one. Under those circumstances, it was pointless to maintain that Nicaragua threatened the security of the United States. What was true was that United States attacks against Nicaragua had already cost his country \$1.5 billion, the amount it had had to spend to defend itself instead of on urgent and indispensable development activities. The representative of the United States had said that there was no difference between the Sandinists and Somoza. One might wonder, then, why the United States Government had changed its policy with regard to Nicaragua, particularly as the revolutionary régime had asked the United States for help on

(Mr. Madriz Fornos, Nicaragua)

coming to power. Moreover, President Carter had met with the Sandinist Government; it was with the arrival of Mr. Reagan that United States policy had radically changed in so far as Nicaragua was concerned. In any event, the Nicaraguan people would not allow anyone to tell it what to do in its own country; it would continue to protect its freedom at any price.

73. Mrs. GIRARDIN (France), referring to the statements by the representatives of the United Kingdom, the Soviet Union and the Byelorussian SSR concerning the links between disarmament and development, recalled that her delegation had been the source of a resolution submitted to the First Committee, which showed how important France considered that question to be. Her delegation therefore wished to see priority attention given to it; however, only the First Committee had responsibility for considering it at present. The First Committee was in fact considering the question and had competency in the matter. Its work was currently directed towards the convening of a conference in Paris in the near future, and anything that might hamper the discussion must be avoided.

74. Mr. DIECKMANN (Federal Republic of Germany) said he wished to associate himself entirely with the statement made by the representative of France.

75. Returning to certain earlier statements on the subject of North-South trade, he pointed out that in 1984, trade between the Western countries and the developing countries had amounted to \$577 billion and had left the developing countries with a surplus of \$46 billion, while in the same year trade between Eastern European countries and the developing countries, which had amounted to \$38 billion, had left the developing countries with a deficit of \$6.5 billion. In 1985, that trade had amounted to \$81 billion between the countries of Eastern Europe and the developing countries, and \$5 billion between the developing countries and the Western countries. Those figures needed no comment and were of indisputable objectivity, since they came from United Nations documents, as evidenced by the documents cited in the annex to the letter from the representatives of the Federal Republic of Germany, Japan, the United Kingdom and the United States addressed to the Secretary-General (A/40/476).

The meeting rose at 6.15 p.m.