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SUMMARY RECORD OF THE 24th MEETING

Chairman:

Mr. PAPADATOS

(Greece)

later:

Mr. AMAZIANE (Vice-Chairman)

(Morocco)

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The meeting was called to order at 3.05 p.m.

AGENDA ITEM 79: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (<u>continued</u>) (A/45/3, A/45/25, A/45/64; A/45/73-S/21065, A/45/74-S/21068; A/45/113 and Add.1; A/45/138-S/21161, A/45/160-S/21182, A/45/164-S/21187; A/45/276-E/1990/88; A/45/299, A/45/303; A/45/310-S/21355; A/45/334-E/1990/100; A/45/350; A/45/381-E/1990/118; A/45/451, A/45/487, A/45/491, A/45/584, A/45/597; A/45/598-S/21854; A/45/657, A/C.2/45/5, A/C.2/45/L.4)

- (a) INTERNATIONAL DEVELOPMENT STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE (1991-2000) (continued) (A/45/41)
- (d) FOOD PROBLEMS (continued) (A/45/19, A/45/583)
- (e) NEW AND RENEWABLE SOURCES OF ENERGY (continued) (A/45/36 and Add.1)
- (f) DEVELOPMENT OF THE ENERGY RESOURCES OF DEVELOPING COUNTRIES (continued) (A/45/274 and Corr.1)
- 1. Mr. BANDARA (Sri Lanka) said it was evident that the world was becoming increasingly interdependent and that rapid integration demanded international ecor mic co-operation on a multilateral basis in order to achieve the ultimate goal of economic development, improvement of the social and economic situation of all human beings.
- 2. Serious imbalances continued to exist in the international economic system which it was necessary to correct. The responsibility of each country for its own policies directed towards social and economic development had now been recognized. Those policies should also take into account the obligation to enhance international economic co-operation and development. However, the developing countries could not achieve such social and economic development without the help of the international community, which must dedicate itself to dealing urgently with the destabilizing factors such as large debt overhang, fluctuating interest and exchange rates, energy and commodity prices, and the net transfer of resources from developing countries to developed countries.
- 3. The importance of human resources development had been recognized in the Declaration on International Economic Co-operation adopted at the eighteenth special session of the General Assembly and the international development strategy for the fourth United Nations development decade: social and economic development must complement each other and proceed simultaneously, and for that purpose human resources development must be placed high on the agenda of international co-operation for development.
- 4. His country gave the highest priority to that aspect of development. Most of its basic social services were free, particularly health and education services. The literacy rate was about 90 per cent, the average life expectancy at birth was 68 years for males and 72 years for females, Sri Lanka had one of the lowest infant mortality rates in the world, and the problem of malnutrition among children and adults was now being addressed by the national Poverty Alleviation Programme.

(Mr. Bandara, Sri Lanka)

- 5. As could be seen from the reports published by the Food and Agriculture Organization of the United Nations (FAO), the problem of hunger was a result not of a lack of food but of inadequate distribution. Many developing countries did not have the resources needed to import enough food to meet the needs of their population because of the high prices of foodstuffs and freight costs and the low prices of their exports, which were primarily commodities. They therefore had no alternative but to acquiesce in the dictates of the international trade system.
- 6. His delegation had been pleased to note that the World Food Council had called for the renewal of the "green revolution". In the present circumstances, and taking into account the fact that by the year 2000 the world would have to provide food for an extra 1 billion people without depleting the Earth's limited resources, it was necessary to apply technologies which would not endanger the environment and to make those technologies available to the actual users, i.e., farmers.
- 7. His delegation fully supported the international development strategy for the fourth United Nations development decade, which symbolized the newly emerging consensus in international economic co-operation for development, and hoped that the strategy would be a positive influence on the national policy makers of the North and the South.
- 8. Ms. SEALY (Jamaica) said that her country placed the highest priority on human resources development. The Secretary-General's report on the subject (A/45/451) took note of the limited progress that had been made in improving the level of human development within recent years. However, the Declaration on International Economic Co-operation adopted by the General Assembly at its eighteenth special session, and the international development strategy for the fourth United Nations development decade would provide specific guidelines on how the strategies for human development should be pursued.
- 9. Her delegation firmly believed that human development was essential in order to achieve overall and sustained economic growth. Unfortunately, many countries found it difficult to allocate adequate resources to human development, which included such important areas as education and training, health, nutrition and housing, the development of scientific and technological capability and the integration of women in development. The burden of debt servicing and enforcing structural adjustment policies had slowed the effort to develop human resources and even eroded the earlier progress made.
- 10. Her delegation acknowledged that the primary responsibility for human resources development rested on the countries themselves and, from that point of view, human development programmes and strategies should form an integral part of national development plans. Human potential could best be utilized through the process of education and training, and training programmes should take into account present and future skill requirements as well as the negative impact of migration. It would also be necessary to explore policies which might facilitate the recruitment and retention of skilled personnel, as well as the role which education technology could play in addressing education and training needs.

(Ms. Sealy, Jamaica)

- 11. Her Government, in its recently adopted five-year development plan, had stated that one of its main tasks was that of achieving substantial and lasting improvements in human resources development. The plan aimed at a qualitative improvement in basic education, extension of pre-primary facilities and rationalization of secondary education. It recognized that science and technology would play a dominant role as the twenty-first century approached, and was cognizant of the need for an appropriate mix of traditional, locally generated and imported technologies. Special attention would be given to action to integrate all groups, especially women, into the development process. Health, nutrition, housing and other social services would also be given special consideration.
- 12. At the regional level, the Governments of the CARICOM region were taking action to implement the resolution on human resource development contained in the Grand Anse Declaration of July 1989 and reaffirmed in the Kingston Declaration of August 1990, which recognized that the human resources of the region, including indigenous entrepreneurship and expansion of the knowledge base must constitute central elements of regional and national development strategy. At a more general level, strategies aimed at human resources development could benefit from co-operation amcag groups of countries including the developed and developing countries. Among developing countries the feasibility of educating and training each other's students, which would make a great contribution to technical co-operation among developing countries, should be explored more actively.
- 13. Although the main effort must be made at the national and regional levels, the support of the international community through the appropriate multilateral agencies was indispensable. In that regard, she would suggest that their assistance should include systematic co-ordination and reporting on donor activities, which would facilitate the exchange of information and the setting of targets in promoting efforts of countries to develop their human resources.
- 14. Mr. Amaziane (Morocco), Vice-Chairman, took the Chair.
- 15. Mr. VASQUEZ (Peru) said that international economic co-operation constituted a challenge for the international community and demonstrated the authenticity of the commitments undertaken by individual States.
- 16. His delegation welcomed the international development strategy and believed that it provided a conceptual framework which, having been adopted by consensus, ought to orient efforts to promote the urgent reactivation of developing economies.
- 17. It was no accident that the net negative transfer of resources had first become apparent when the developed countries had decided to raise interest rates to bring inflationary tendencies in their economies under control, or that seven years of sustained economic growth in the industrialized countries had corresponded to profound stagnation in the developing countries, or that resources moving from the developing world to the industrialized economies were considered transfers while those going between developed countries were described as free movements of capital. The injustice of that situation was obvious.

(Mr. Vasquez, Peru)

- 18. His delegation welcomed the Secretary-General's report on the net transfer of resources, which discussed not only the servicing of external debt but also the deterioration in the terms of trade; that situation was resulting in a constant loss of purchasing power where the developing countries' export earrings were concerned and thus a transfer of considerable magnitude, often unrecorded, which increased the total volume of resources transferred. That movement also led to internal transfers of resources away from certain social sectors of the economy in order to service external debt, thereby undermining official budgets and causing poverty to rise in debtor countries. Generally speaking, the transfer of resources from developing countries had been negative, despite the fact that certain sub-Saharan African countries had registered positive trends in the area of financial transfers. Furthermore, that movement had increased in recent years, even though it had declined in the mid-1980s, to form a kind of permanent debt which placed a heavy burden on the so-called capital-importing countries.
- 19. With regard to agricultural and food problems, his delegation hoped that negotiations under the Uruguay Round on the international market for agricultural products would conclude successfully. However, rising prices resulting from market liberalization would work to the detriment of net food-importing developing countries, which included most African and Caribbean countries as well as a significant percentage of the countries of Latin America.
- 20. While agricultural markets were undergoing reform, an <u>ad hoc</u> mechanism would have to be established to help alleviate the adverse effects of higher prices for agricultural products by means of food aid, sales on concessional terms and additional financial resources, of agricultural products. Such an increase in prices would exacerbate even further the external debt-servicing problem of net food-importing countries, which urgently needed to increase their own agricultural production and productivity in order to overcome food dependency. To that end, adequate financial resources would have to be received from the appropriate multilateral bodies and the Governments of the industrialized countries.
- 21. Mr. LIV Zhaodong (China) said that the Ad Hoc Committee of the Whole for the Preparation of the International Development Strategy for the Fourth United Nations Development Decade had finally reached consensus on the strategy for the 1990s, the main objective of which was to ensure the accelerated development of the developing countries and the strengthening of international economic co-operation during the coming decade.
- 22. Implementation of the strategy required the efforts of all countries. Given their importance in the world economy and the impact of their economic policies, the developed countries must bear more responsibility and endeavour to do more to implement the strategy by taking measures to reduce the debt burden of developing countries, stabilize commodity prices, eliminate various protectionist trade measures and increase capital flows to developing countries. His delegation hoped that all countries would implement the strategy effectively; that would require political will and adequate mechanisms for periodic review and appraisal of its implementation.

(Mr. Liu Zhaodong, China)

- 23. Food was the key to human survival and development. However, more than 1 billion people in the third world suffered from hunger, and so long as their survival was in question, development was a luxury. The expansion and acceleration of food and agricultural production in the developing countries constituted a good basis for revitalizing economic growth and development in those countries and would also contribute to the expansion of the international market for agricultural products and the prosperity of the world economy. To that end, the developing countries must give priority to agriculture and food production in their economic development plans and continue to readjust agricultural inputs, adorcing pricing policies favourable to development, strengthening the agricultural infrastructure and improving agricultural extension services.
- 24. The solution of world food problems depended on the existence of a favourable international economic environment. His delegation hoped that the international community, particularly the developed countries, would increase food aid and the transfer of resources and agricultural technology to the developing countries and reduce their debt burden. The Uruguay Round should take into account the special conditions of developing countries, extend favourable treatment to their agricultural products and improve their market access.
- 25. Co-operation among developing countries in the area of agricultural technology was extremely important; it would play a major role in the promotion of their socio-economic development and strengthen their self-reliance. His delegation hoped that the developed countries, FAO, the United Nations Development Programme (UNDP), the International Fund for Agricultural Development (IFAD) and other organizations of the United Nations system would provide greater financial and technical assistance to the developing countries in order to promote their co-operation in that area.
- 26. The development and utilization of new and renewable sources of energy not only promoted the economic development of developing countries but also fostered the establishment of a more stable balance between world energy supply and demand and a better global environment. To facilitate the work of the United Nations system in that field, his delegation supported the proposal to strengthen the United Nations Trust Fund for New and Renewable Sources of Energy and the reopening of the UNDP Energy Account; his delegation also requested the Secretary-General to report to the Committee on the Development and Utilization of New and Renewable Sources of Energy at its sixth session on the mobilization of financial resources. China also supported the convening of a meeting of intergovernmental experts to evaluate the implementation of the Nairobi Programme of Action.
- 27. Population growth and increasing industrialization in the developing countries meant a growing demand for energy, but the lack of financial and technological resources hampered those countries' energy development efforts. Greater investment and the promotion of regional and international co-operation were required. In recent years, the Chinese Government had promoted the development of the national energy sector through multi-channel and multi-modal financing, including foreign investment and technology. For example, China's coal industry had absorbed foreign

(Mr. Liu Zhaodong, China)

investments amounting \$US 1.7 billion, thereby increasing its productive capacity by 49.2 million tons. China had also signed contracts with foreign companies totalling \$US 2.6 billion for off-shore oil exploration and \$US 5.64 billion for electricity production.

- 28. Mr. DUGAN (United States of America) said that agricultural and food policies were a key aspect of development. In that regard, his delegation wished to draw attention to the recommendations of the World Food Council and endorsed in particular the emphasis placed on free trade in agricultural products because it believed that open markets would make more food available at cheaper prices to everyone. His country, which had one of the lowest levels of trade protection in the world, had long supported the reduction of tariff and non-tariff barriers within the framework of GATT.
- 29. His delegation concurred on the need to increase the productivity and income of small farmers, as the history of agriculture in the United States was a testament to the productive potential of such farmers when they were allowed to sell their harvests at fair market prices. From a macro-economic perspective, food strategies and structural adjustment policies must be co-ordinated, for just as agriculture could not flourish in a distorted economy, neither could economic adjustment be successful if it did not reduce hunger and poverty in the long term.
- 30. Any long-term development strategy must take account of the need to diversify energy sources. Recent events had shown the danger of depending on fossil fuels, and the importance of inexpensive, non-polluting power would continue to grow. The United States believed strongly in the need for new and renewable sources of energy and supported research and development in numerous energy-related areas. During the 1990 financial year it had invested \$US 142 million in the development of renewable sources of energy and an allocation of \$US 176.9 million was expected for the 1991 financial year. His Government was encouraging the private sector to develop technologies using sunlight, wind, biomass, flowing water, ocean energy and geothermal energy.
- 31. The United States supported United Nations activities in the field of renewable energy but also believed that the work of the Committee on the Development and Utilization of New and Renewable Sources of Energy could be carried out in other forums through an expert group which could make environmentally sustainable recommendations on the use of those technologies.
- 32. The United Nations Conference on Environment and Development 'o be held in 1992 would provide an opportunity to examine and review activities on renewable sources of energy. Notwithstanding its misgivings about the Committee on the Development and Utilization of New and Renewable Sources of Energy, the United States supported the proposal that that body should assist with preparations for the Conference.
- 33. The international development strategy for the 1990s had provided a means of incorporating the questions of food, resources and energy into the development

(Mr. Dugan, United States)

agenda for the current decade. The United States believed that the consideration of those questions could help promote sustainable growth and development of the developing countries and the world economy.

- 34. !xr. NANDOE (Suriname) said that the principal aim of the international development strategy was to accelerate development and strengthen co-operation during the 1990s; that would necessitate support from the international community and concerted policies at the national level. It was questionable, however, whether the consensus on the strategy had real, and not merely symbolic, value, since experience had shown that agreements on lofty goals did not necessarily lead to major changes in policy.
- 35. The deficit in the trade balance of the energy-importing developing countwies would rise by \$US 17 billion in 1990 and \$US 42 billion in 1991. In addition, the capacity of those countries to absorb the increase in oil prices without cutting imports and production was virtually non-existent. As a result, those countries would incur serious external debt problems, with extremely low currency reserves, delays in their adjustment programmes and arrears in payments. Until a long-term solution was found to the debt problem, the economic situation of the developing countries would continue to deteriorate and any talk of development in the 1990s would be meaningless.
- 36. The situation regarding the flow of resources from the North to the South was not very encouraging. According to a recent communiqué from the Nordic countries, official development assistance (ODA) had declined from 0.36 per cent in 1988 to 0.33 per cent in 1989 of the combined gross national product (GNP) of the member countries of the Development Assistance Committee (DAC), well below the international target of 0.7 per cent. A positive resource flow would help boost investments, production and income generating activities. It was therefore to be hoped that the resources released through disarmament would be reallocated for development.
- 37. It must be recognized that the human factor played a central role in development. Health, housing, nutrition, education, training and other services were essential to the well-being of all people and to economic development. In consequence, the development of human resources was more important than capital investment. Suriname believed that poverty could be reduced through a development strategy which combined economic growth with increased employment opportunities and a socially just income distribution policy.
- 38. Mr. TREIKI (Libyan Arab Jamahiriya) said that the world was divided into two different groups, the rich countries, which were growing richer, and the poor countries, which were growing poorer; unless efforts were made to find a solution to the economic crisis, the gap between the groups would continue to grow until peace and security were no longer possible in the world.
- 39. In the colonial period the developing countries had seen their raw materials plundered, and even when they had achieved their political independence they had

(Mr. Treiki, Libyan Arab Jamahiriya)

still been subjected to economic colonialism by the financial institutions and transnational corporations. While price fluctuations were undermining the commodities market, the prices of manufactured goods continued to rise. Commodity-producing countries should form a consortium or a league, like the Organization of Petroleum Exporting Countries (OPEC); the latter protected not only its own members but also the commodity-producing countries. As a result, the industrialized countries had attacked OPEC, hoping to destroy it. In 1971, OPEC had attempted to establish a price policy, but when oil prices had risen the oil-producing countries had come under attack. While it was true that the price of oil was high, it did not compare with that of mineral water: a bottle of water cost more today than a bottle of oil.

- 40. Deliberate attempts were being made to undermine the financial capacity of the developing countries by lowering the prices of their commodities. The situation was worsened by the debt crisis, which had risen to over \$US 1,300 billion. The debt of the African countries stood at \$US 250 billion, and the combined GNP of 39 African countries was less than the defence budgets of certain developed countries. The problem of the developing countries was exacerbated by the outflow of capital, which was greater than the amount they received in assistance and loans. The international community should shoulder its responsibilities in that area.
- 41. The combined income of the Arab countries did not exceed the military budget of the United States, proving that the petroleum producers were poor countries. Libya was an obvious example: in 1952, upon gaining its independence from the Fascist régime of Italy, Libya had had only one secondary school, no institute of higher education and only one hospital. When it finally gained control of its own resources it was subjected, like other developing countries, to blockades and attacks. Instead of providing the anticipated assistance and aid, the former colonial Powers had applied heavy pressure on the natural resources of the developing countries, and, with the collusion of the financial institutions, had provided "tied" aid, thereby increasing the difficulties of those countries.
- 42. It must be understood that the current crisis had various causes and was not due exclusively to the rise in oil prices. The crisis would be solved only by attending to the interests of the entire international community and by analysing the oil question in the context of the problem of commodities and not in isolation. Libya had granted loans to a value of \$US 3 billion to other developing countries and had established more than 100 joint ventures in Africa, Latin America and Asia, despite the economic difficulties it had faced, primarily as a result of the blockade. His delegation was therefore prepared to give careful consideration to the entire question of commodities and to base that consideration on the shared interests of all countries. In all likelihood, that view would be shared by the other Arab oil-producing countries.

- 43. Mr. SADEGHI-TEHRANI (Islamic Republic of Iran) said that the completion of the international development strategy had once again demonstrated that the international community was prepared to respond to such major challenges as solving the economic crisis of the developing countries. The effectiveness of the strategy would depend on the political will of all the Member States and, in addition, on the readiness of each organization in the United Nations system to accept its responsibilities within its respective area of competence. Periodic reviews and appraisals should be carried out at all levels to monitor new developments, to allow for revision of the instruments needed to attain the goals of the strategy.
- 44. Industrialization, population growth and economic development would increase energy demand both in the developed and in the developing countries. The integration of the Eastern European countries in the world economy could further increase the demand for commercial energy. The continued growth in demand for energy, particularly oil, had rapidly closed the gap between production capacities and requirements. That trend underlined the need for a careful study of the future supply and market of commercial energy sources. The preparation of a programme of action aimed at the acceleration of the energy exploration and development of the energy resources of the developing countries could be a starting point.
- 45. It was necessary to rectify a misconception concerning the Persian Gulf crisis. It was widely believed that the oil-exporting countries were benefiting from the situation, and that they were not prepared to take any positive action. His delegation wished to clarify matters by drawing attention to the following points: (1) the oil-exporting countries had done their begt to remedy the situation, and had held as mergency meeting in Vienna at which they, along with non-OPEC oil exporting countries, had decided to increase production; (2) developed countries, on the contrary, had not done their part by releasing their strategic reserves as a complementary measure to that of OPEC and non-OPEC oil-exporting countries; (3) oi! prices depended more on psychological and political factors than on market forces; (4) the crisis had adversely affected the economies of the OPEC members located in the Persian Gulf, since it had caused a reverse transfer of resources and an increase in military expenditures; (5) the low oil prices which had prevailed since 1982 had hampered the ability of oil-exporting countries to invest in the exploration and exploitation of new oil fields, and had created large budget deficits, which could result in future shortages of commercial energy supplies; and (6) the OPEC members had always assisted the development of other developing countries; the OPEC Fund for International Development had been activated to respond to the needs of other developing countries in the current crisis.
- 46. For years, developed countries had tried to keep prices of raw materials low in relation to that of manufactured products, thereby causing a deterioration in the terms of trade of developing countries. As noted in the Secretary-General's report, between 1980 and 1988 prices of non-fuel commodities from developing countries had declined by 40 per cent, and fuel prices had declined by 50 per cent. One of the reasons for that decline was the lack of co-operation among developing countries in augmenting the value of their exports. There had even been cases in which some developing countries, pursuing their own interests,

(Mr. Sadeghi-Tehrani, Islamic Republic of Iran)

had welcomed the decline in the prices of raw materials exported by other developing countries. However, the world economy was becoming increasingly interdependent, and required both co-operation among developing countries and action by developed countries to stabilize the prices of raw materials at an equitable level.

- 47. Human resources were a key component of national development, and fortunately had been widely recognized as such in recent years. However, the economic crisis which developing countries had undergone in the 1980s had impeded their efforts to promote the development of their human resources. The fact that each individual country was responsible for that crucial task should not divert attention from the negative impact of international economic problems on the capacity of Governments to implement national plans. To help developing countries in their efforts to develop their human resources, support from the United Nations system, from international governmental and non-governmental organizations and from developed countries should be strengthened. His delegation believed that it was time to request the Secretary-General to prepare a report which would examine ways and means of intensifying international co-operation in that field, for submission to the General Assembly at its forty-sixth session.
- 48. Mr. DEO (India) said that through lengthy deliberations, and as a result of the spirit of accommodation displayed by the delegations, a consensus had been reached on the new international development strategy. The next phase, involving the implementation of the commitments undertaken, also would require flexibility and a spirit of accommodation. Much of the credit for the successful work to date belonged to Mr. Gamani Corea, who had presented an excellent and well-balanced working document that reflected the concerns of all sides and was free of any ideological predilection. The text adopted provided an excellent basis for the revitalization of growth and development of the developing countries, while taking into account the recent changes in the global economy and stressing the importance of sound macro-economic management, as well as the role of developed countries in establishing a stable international economic environment.
- 49. In order to reverse in the 1990s the negative trend of the 1980s, co-operation between developed and developing countries would have to be intensified, and real political will would have to be in evidence. With the end of the East-West confrontation, it should be possible to increase official development assistance so that developing countries could realize their potential to the benefit of all. In spite of the increasing interdependence of all countries, artificial divisions, such as that between North and South, first world and third world, continued to persist. The spirit of co-operation reflected in the text of the international development strategy should help to bring about a change in attitudes and perceptions. In the coming months, the international community would have to take major decisions on issues such as international trade, external debt and resource flows. He hoped that the international community would be able to demonstrate a sense of solidarity oriented towards securing the well-being of all peoples.

(Mr. Deo, India)

- 50. According to the report of the World Food Council, there were about 550 million people in the world most of them in Asia who suffered from hunger; it was legitimate to wonder why hunger persisted in a world of abundant resources. His delegation endorsed the four broad hunger-alleviation goals contained in the Cairo Declaration. The first step towards solving the problem was to stimulate food production in developing countries. In that regard, the international development strategy emphasized the need to strengthen international co-operation in the transfer of agricultural technology, particularly technology that was directly related to food production, processing and storage. Developing countries should also have access to advances in biotechnology and genetic engineering.
- 51. On a number of occasions, the General Assembly had affirmed that the right to food was a universal human right, and that food should under no circumstances be used as an instrument of political pressure.
- 52. His delegation believed that any agreement on agricultural trade should provide for preferential treatment of developing countries, and should take into account the food security objectives of those countries.
- 53. With respect to human resources development, he expressed his appreciation of the Secretary-General's report, and noted the increasing recognition around the world that the purpose of development was to improve the human condition. In consequence, although economic growth was a <u>sine qua non</u> for human development, social indicators were acquiring greater significance in the evaluation of development.
- 54. The social infrastructure of developing countries and their capacities in the social sectors were characterized by deficiencies in such areas as primary health care, hygiene, nutrition and education. The responsibility for correcting those deficiencies lay primarily with the countries concerned, but the importance of economic and technical co-operation among developing countries, as well as the support of developed countries, must also be emphasized. The development of human resources was both an end in itself and a means of expanding the productive capacity of developing countries. It was noted in the Secretary-General's report that economic stagnation in those countries, largely due to international conditions, was an important reason for their social stagnation. Therefore, in addition to national measures, international measures must be taken to promote the development of human resources in those countries.
- 55. The World Economic Survey painted a discouraging picture regarding the net transfer of resources from the developing countries, as did the Secretary-General's report on the subject, which quoted the figure for net transfers of capital from the developing to the developed world in 1989 at a disquieting \$26 billion. Severe indebtedness and rising interest rates, along with declining terms of trade and the persistence of protectionist measures in the developed world, were some of the factors that hindered the access of developing countries to the resources that were indispensable for their development. Those countries should be provided with adequate means to increase their export earnings; it was recessary to approach the

(Mr. Deo, India)

problem of indebtedness comprehensively, and to take measures to eliminate the protectionist barriers that were impeding the developing world's trade and to facilitate the access of their products to the market.

- 56. With regard to the problem of energy resources, the recent Middle East crisis had aggravated the insecurity and vulnerability of the developing countries because the rise in oil prices was affecting all aspects of the development activities of the poorest countries, especially those countries that were net importers of energy. In some countries, the rise in energy prices would be detrimental to industrial and agricultural output, and would limit economic growth in general and per capita income in particular. In their recent Declaration, the Ministers for Foreign Affairs of the Group of 77 had urged the international community to explore ways of overcoming the adverse effects of fluctuating energy prices on developing countries.
- 57. The 1981 Nairobi Conference had been a landmark in the context of international co-operation in developing new and renewable sources of energy, a matter which was still of crucial importance. In the developing world hundreds of millions of people used fuelwood and biomass resources as their main energy sources. However, given the increase in energy needs, and the rise in oil prices already referred to, alternative energy sources would have to be identified and new technologies developed in order to utilize renewable sources of energy. connection, the international community should provide assistance to facilitate the dissemination and transfer of those technologies to the developing countries on concessional and preferential terms. In India, recourse to renewable sources of energy had been expanding rapidly, through the use of smokeless wood stoves, the biogas programme, developments in solar photovoltaic technology and wind energy. The United Nations system could play an important role in financing and encouraging projects, surveys and studies in that area, which also offered excellent prospects for South-South co-operation. Lastly, the report of the fifth session of the Committee on the Development and Utilization of New and Renewable Sources of Energy was important and highlighted the need for full implementation of the Nairobi Programme of Action.
- 58. Mr. ROKOTUIVUNA (Fiji) said that his delegation fully supported the statements by the representative of Australia, who had spoken on behalf of the Cairns Group of agricultural exporting countries, and the representative of Bolivia, who had spoken in his capacity as Chairman of the Group of 77. Although many developing countries feared that the changes taking place in the world would leave them worse off, the adoption by consensus earlier in 1990 of the Declaration on International Economic Co-operation and the international development strategy for the fourth United Nations development decade suggested the existence of a stronger political will to make real progress towards sustainable development throughout the world. The new strategy accepted the principle of shared responsibility, incorporating both national and international measures, and was particularly valuable because it gave high priority to human resources development.

(Mr. Rokotuivuna, Fiji)

- 59. The question of international trade in food and agricultural products had not yet been settled in the Uruguay Round of negotiations. The Uruguay Round would not succeed unless a more liberal framework for agricultural trade was instituted, thereby increasing the predictability and stability of food supply and prices.
- 60. The situation of the island developing countries, of which Fiji was one, was particularly delicate, since they were among the most vulnerable developing countries. There were more than 20 island developing countries and territories in the island Pacific sub-region, four of which were least developed countries. A recent ESCAP report confirmed that many Pacific island States had experienced little or no growth in 1989/90 because of the devastation caused by hurricanes during that period. For the fragile economies of those countries, it was fundamental that agreement should be reached on an international development and trading framework.
- 61. The Gulf crisis had resulted in a sudden escalation of fuel prices, which had impinged heavily on the developing countries. It was, therefore, particularly necessary and urgent to revitalize the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy.
- 62. Mrs. DE WHIST (Ecuador) said that those development measures which were strictly economic would yield lasting and satisfactory results only when, in accordance with the spirit of the preamble to the United Nations Charter, human beings were regarded as the beginning and end of the development process. She referred to the Secretary-General's report on developing human resources for development (A/45/451) and emphasized the crucial importance of education as the determining factor in economic development, controlling population growth, protecting the environment and strengthening peace. In that connection, the developing countries, faced as they were with a crushing external debt burden, the instability of world prices for raw materials and commodities and also instability in the financial markets had serious difficulties in allocating sufficient resources for the development of human resources. Consequently, the necessary political will to encourage international co-operation through the United Nations system was absolutely vital in order to rectify that situation.
- 63. Regarding the net transfer of resources from the developing to the industrialized countries, she pointed out that in today's world there were over 1 billion people living in absolute poverty who not only lacked housing, education, regular meals and stable employment but were also deprived of such basic rights as the right to live in peace and democracy. That explained the importance of the consensus reached by the international community on the international development strategy for the fourth United Nations development decade.
- 64. Where food was concerned, the main target must be self-sufficiency for the developing countries, or at least the capacity to meet 75 per cent of their food needs. The negotiations being held in the Uruguay Round were, therefore, of special importance. Those negotiations, which were taking place within the framework of GATT, and the implementation of the UNCTAD VII recommendations were

(Mrs. De Whist, Ecuador)

fundamental to a reactivation of food production in the developing world, which production had declined considerably in recent years.

- 65. The critical social situation in the developing countries reflected two kinds of inequality: internal inequalities in respect of the distribution of wealth and income, which for some years all the developing countries had been trying resolutely to remedy; and international inequalities resulting from the imbalances and maladjustments in the world economy. Factors such as unstable prices for raw materials, selective and protectionist measures, the flight of private capital and the adverse effects of economic adjustment programmes prevented the developing countries from adopting the necessary measures to right those inequalities.
- 66. The crisis in the Persian Gulf made it necessary to update the situation described in the reports on the exploration and utilization of energy resources in the developing countries and on the development and utilization of new and renewable sources of energy. The close linkage between those two subjects should be underlined. The energy situation in the non-oil-producing developing countries was particularly serious. Considering that, as stated in the Secretary-General's report, in the last five years the oil-exporting countries had achieved the maximum level of their productive capacity, the Nairobi Programme of Action should be urgently implemented in order to diversify energy sources. In that connection, she attached importance to the views of the delegation of Austria regarding new and renewable sources of energy.
- 67. Mr. GEBREMEDHIN (Ethiopia), speaking in exercise of the right of reply, referred to the statement by the representative of the European Community at the 23rd meeting and to the reference to Ethiopia in the letter from the representative of France, contained in document A/45/74. Ethiopia shared the Community's concern regarding a peaceful settlement of the conflict which was very seriously affecting the population of his country. His Government had been seeking a solution by all possible means and to that end had not hesitated to enlist the good offices of statesmen of international renown, such as Mr. Carter, a former President of the United States, and Mr. Nyerere, a former President of the United Republic of Tanzania. However, the talks had been broken off because of the rebels' intransigence and peace seemed as far away as ever. The port of Massawa remained closed and starvation was threatening millions of people in Eritrea and Tigre. Although the Government of Ethiopia had stated repeatedly that it intended to open the port of Massawa to all the donor countries, the intransiqence and insensitivity of the rebels had prevented the World Food Programme, to which the United Nations Secretary-General had entrusted the task of rehabilitating the port, from carrying out its mission. Lastly, he thanked all the donors, and in particular the European Community, for their generous assistance to the victims of drought in his country, and expressed his appreciation for their material, political and diplomatic support in the quest for a peaceful solution which would also quarantee the inviolability and territorial integrity of Ethiopia.