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Chairman:

Mr. PAPADATOS

(Greece)

CONTENTS

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

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The meeting was called to order at 10.15 a.m.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (<u>continued</u>) (A/45/3, A/45/74, A/45/185-E/1990/48, A/45/256-E/1990/58, A/45/257-E/1990/61, A/45/277-E/1990/77 and Add.1, A/45/278 and Corr.1, A/45/292-E/1990/82, A/45/303, A/45/327, A/45/329, A/45/336-S/21385, A/45/338-E/1990/103, A/45/342-E/1990/102, A/45/381-E/1990/118, A/45/584, A/45/598; E/1990/91, E/1990/94, E/1990/96; A/C.2/45/3; A/C.2/45/L.2* and L.3)

- Mr. DORJGOTON (Mongolia) said that the historic changes occurring in Eastern 1. Europe and in Mongolia and the growing interdependence of countries were giving the United Nations and the Economic and Social Council an increasingly large practical role to play in solving the most urgent global problems, as was clear from the outcome of the Council's second regular session of 1990. Among the most important resolutions and decisions adopted were resolution 1990/54 on the implementation of the Declaration on International Economic Co-operation, in particular the Revitalization of Economic Growth and Development of the Developing Countries and resolution 1990/52 on the role of the United Nations in the early identification, analysis and forecasting of world economic developments and decision 1990/263 on strengthening multilateral co-operation in international economic affairs. The resolutions on the revitalization of the Economic and Social Council and on the holding of a special high-level meeting of the Economic and Social Council in 1991 (1990/69 and 1990/68 respectively) should also give new impetus to the Council's efforts to resolve the world's major economic, social and humanitarian problems.
- 2. His delegation wished to commend the Council for the increasing attention it was devoting to human resource development and the promotion of entrepreneurship in national economic development; the Secretary-General's report on National entrepreneurs in economic development (A/45/292) contained very useful information on that subject. He pointed out that Mongolia's new economic and social policy objectives were oriented in that same direction.
- 3. It was encouraging to note that, at its most recent session, the Council had held extensive discussions on the environmental problems which threatened the survival of mankind. His Government attached great importance to broadening international co-operation in that field and particularly looked forward to participating in the multilateral and regional activities to be organized within the framework of the International Decade for Natural Disaster Reduction.
- 4. Serious natural disasters occurred frequently in Mongolia. Its agriculture was affected each year by drought and fires, which destroyed tens of thousands of hectares of forests and hundreds of thousands of hectares of pasture land. For that reason, his Government intended to step up technical co-operation activities and information exchanges with all members of the international community, including its two neighbours, and with United Nations organizations, in particular the Office of the United Nations Disaster Relief Co-ordinator. In addition, Mongolia, which was a land-locked developing country, was severely affected by its lack of access to the sea and to world markets and by the absence of adequate

(Mr. Dorigoton, Mongolia)

transport and communication infrastructures, which was slowing down his country's integration into the system of trade relationships linking the other Asian and Pacific States. In that connection, he wished to draw the Committee's attention to the need to create within the United Nations system a special mechanism to deal with the economic problems of land-locked developing countries. That need had been underlined by the Prime Minister of Mongolia at the eighteenth special session of the General Assembly on international economic co-operation.

- 5. Mr. VENERA (Czechoslovakia) said that the principle of openness was starting to have an impact on international economic relations, owing to the weakening of the non-economic barriers which had hindered international co-operation in that field. Drawing on the accumulation of freely available scientific and technical experience, the United Nations had the potential to create conditions for the solution of the economic problems of the devaloping countries, the countries of Central and Eastern Europe, and of mankind as a whole.
- 6. A consensus had been reached within the United Nations on two essential principles: that each country was responsible for its own economic development and that the entire international community was responsible for the macro-economic framework needed for sound economic co-operation. Such a consensus was reflected in Council resolution 1990/68 on the convening of a special high-level meeting of the Economic and Social Council in 1991, to discuss the patterns of trade, financial flows, and investments in the context of the recent evolution in East-West relations and its consequences for the developing countries.
- 7. At its second regular session of 1990, the Council had adopted a number of highly significant decisions, including decision 1990/263 on strengthening multilateral co-operation in international economic affairs and resolution 1990/52 on the role of the United Nations in the early identification, analysis and forecasting of world economic developments. Indeed, it would be of great use to many countries, including Czechoslovakia, to have available forecasts relating to the various economic process involved.
- 8. Regional economic co-operation represented an extremely important aspect of multilateral economic co-operation; the United Nations regional commissions, including the Economic Commission for Europe, played an important role in that sphere. Nevertheless, the work of the latter needed to be restructured so that it could be more effective within the European framework. Subregional institutions also had a role to play. The Czech and Slovak Federal Republic, which was actively striving to integrate itself into Europe, was stepping up its co-operation with, inter alia, the Organisation for Economic Co-operation and Development (OECD) and the European Free Trade Association (EFTA).
- 9. The Declaration of the eighteenth special session of the General Assembly expressed the international community's will to revitalize economic growth, particularly in the developing countries. Equally important in that regard was Economic and Social Council resolution 1990/56 on trends in the transfer of resources to and from developing countries and their impact on the economic growth

(Mr. Venera, Czechoslovakia)

and sustained development of those countries. The promotion of entrepreneurship and free market relationships also represented a sound approach to economic development. Only under those conditions could the effectiveness and adaptability of national economies be increased.

- 10. The work of the United Nations Centre on Transmational Corporations was very useful. Czechoslovakia was interested in more extensive consultations with the Centre, with a view particularly to gathering information on the legislation applicable to transmational corporations in various countries and on fiscal issues.
- 11. The Council's second regular session of 1990 and the debate within the Second Committee had emphasized the decisive importance of a market economy linked with democracy, political pluralism and the protection of human rights for the maintenance and promotion of sound economic growth.
- 12. Mr. TAYEB (Saudi Arabia) said that in its resolution 1803 (XXVII) of 14 December 1962, the General Assembly had recommended that the sovereign right of every people to dispose of its wealth and its natural resources should be respected and had stated that violation of that right was contrary to the spirit and principles of the Charter of the United Nations and hindered the development of international co-operation and the maintenance of peace. That was the foundation for resolution 32/161, in which the General Assembly emphasized the right of the Arab States and peoples whose territories were under Israeli occupation to full sovereignty over all their natural resources and economic activities and reaffirmed that all measures undertaken by Israel to exploit those resources and economic activities were illegal.
- 13. Since 1967, the occupied territories had been subjected to a policy of terror and colonization, which the Israeli occupation authorities had intensified after the beginning of the <u>intifadah</u> in order to crush the efforts of the Palestinians to ensure their development through self-reliance.
- 14. The measures taken by the Israeli authorities to that end were described in paragraphs 3 to 5 of the UNCTAD report on assistance to the Palestinian people (TD/B/1266).
- 15. As a result of Israeli practices, the economic situation in the occupied territories had deteriorated substantially in recent years. Investment in 1988 has dropped more than 20 per cent in the West Bank, and by 13 per cent in the Gaza Strip. Between 1988 and 1989, gross domestic product had decreased by 35 per cent. Household income had fallen by 50 per cent since the beginning of the intifadah because of depressed wage levels, while prices had risen by 20 per cent in 1989. It was therefore critical that the international community help the Palestinian people to confront Israeli manoeuvres to impede their development efforts. It should nevertheless be recalled that UNRWA, UNDP, FAO, WHO and UNESCO were very active in the occupied Palestinian territories and systematically responded to the needs of the Palestinian people for assistance, notwithstanding

(Mr. Taveb. Saudi Arabia)

the obstacles placed in their path by the Israeli authorities since their efforts ran counter to Israeli economic interests.

- 16. The major problem with respect to the economic development of the occupied territories was the question of permanent sovereignty by Palestinians over their natural resources. Beginning in 1967, Israel had seized control of water resources whether for agricultural or household use with the result that the Palestinian people controlled only 17 per cent of those resources while Israeli settlements controlled 20 per cent. That discriminatory policy seriously impeded Palestinian agricultural development.
- 17. Before 1987, the Israeli authorities had confiscated 50 per cent of Palestinian lands. By the end of 1979, they had established 128 settlements, and another 117 had been established between 1987 and 1990. Between 1988 and 1989, the Israeli authorities had expropriated 99,000 dunums of agricultural land in the West Bank and Gaza Strip, equivalent to 1.7 per cent of the total area of the occupied territories, and had destroyed 1,576 Palestinian houses and sealed off 675 others as collective punishment. The total need for new residential construction in the occupied territories was estimated at 15,000 units.
- 18. Despite Israeli practices, the Palestinian people continued to make progress towards self-reliance. Their efforts did not go unnoticed by Israel, which sought to repress the intifadah through various agricultural measures: for example, by destroying crops, instituting administrative measures that delayed crop movements, uprooting fruit and olive trees, spraying toxic chemicals on cultivated lands and increasing seed and fertilizer prices.
- 19. The recommendations in the UNCTAD report, particularly those directed at States and international organizations, were important in that they could help to revitalize the Palestinian economy. In that connection, the movement of exports from the occupied territories to European countries would have a beneficial impact. The United Nations should ensure that international assistance reached the Palestinian people in order to promote the economic development of the occupied territories.
- 20. Mr. MISSARY (Yemen) said that the profound upheavals which had occurred in the political arena had brought about scarcely any changes in the economic sphere. His country attached great importance to the role of the Economic and Social Council, which was entrusted by the Charter with the task of carrying out major economic projects. It was to be hoped that the new spirit of co-operation and dialogue would make it possible to close all the gaps which still separated countries.
- 21. While the Council had made considerable progress in its work on procedural issues, it must now focus more on real issues of substance. It was gratifying to note that at its second regular session of 1990, the Council had adopted many resolutions by consensus, including resolution 1990/63 on assistance in cases of natural disasters and other disaster situations and resolution 1990/78 on refugees, displaced persons and returnees, which had a genuine humanitarian focus.

(Mr. Missary, Yemen)

- 22. Unfortunately, peace did not yet prevail in the world, and there were still many zones of conflict. That was why his country, like Saudi Arabia, firmly hoped that resolutions 1990/53 on Israeli economic practices in the occupied Palestinian and other Arab territories and 1990/59 on assistance to the Palestinian people would be duly taken into account and lead to concrete results.
- 23. Mr. WU Hoi Long (China) recalled that at the Council's most recent session many developing countries had expressed deep concern over the possible negative impact that the evolution of Eust-West relations might have on the economic development of the developing countries in general, and on financial flows in particular. Indeed, since the early 1980s, the growth of the developing countries had suffered serious setbacks, their economic position had become more fragile and the gap between them and the developed countries had widened. If the economies of the developing countries, whose population accounted for four fifths of the world's population, continued to stagnate for long, the world economy as a whole would be unable to maintain sustained and steady growth. Accordingly, the revitalization of the economies of the developing countries should be a priority on the international economic agenda, and the evolution of East-West relations should in no way distract the international community's attention from that question. It was therefore to be hoped that the high-level meeting of the Economic and Social Council to be convened in 1991 would discuss the question in depth and formulate concrete proposals on ways to prevent the evolution of East-West relations from exerting a negative impact on the developing countries.
- 24. It also was essential to revitalize the Economic and Social Council in order to enable it to adapt to the new situation and meet the challenges of the 1990s. While the implementation of Council resolutions 1988/77 and 1989/114 had resulted in some progress, further measures should be taken to strengthen the functions of the Council. In that regard, more executive heads of agencies and organs of the United Nations system should participate in the Council's meetings. All measures aimed at revitalizing the Council should be strictly guided by the relevant provisions of the Charter of the United Nations.
- 25. Transnational corporations played an increasingly significant role in the world economy, and the formulation of a code of conduct, which was one of the major tasks assigned to the Commission on Transnational Corporations, was in conformity not only with the interests of host countries, but also with those of transnational corporations themselves. After more than a decade of negotiations, agreement had been reached on most of the provisions, and the Council had transmitted a text reflecting the status of the negotiations to the current session of the General Assembly. Although it would be desirable to resolve the outstanding issues, even if that were not feasible his delegation would be prepared to endorse the adoption of the draft code of conduct by the General Assembly at its current session.
- 26. Mr. ALMABROUK (Libyan Arab J. mahiriya) said he welcomed the constructive spirit that had prevailed during the deliberations of the Economic and Social Council at 10s second regular session.

(Mr. Almabrouk, Libyan Arab Jamahiriya)

- 27. The delegation of the Libyan Arab Jamahiriya was particularly satisfied to note the adoption of resolution 1990/61, on the fight against the screw-worm infestation. The disease, which was a threat to humans and animals alike, including cattle, in Africa and in the parts of Europe bordering on the Mediterranean, also affected the Jamahiriya, which was endeavouring, in collaboration with FAO, IFAD, UNDP and IAEA, to check the spread of the infestation. Unfortunately, only a few countries had access to the technique of insect sterilization, which was the only reliable method available. It was to be hoped that such countries would show a willingness to help, and co-operate in the eradication of the infestation.
- 28. With regard to Israeli economic practices in the occupied Palestinian and other Arab territories, while reserving the right to revert to resolution 1990/53 at a later stage, he wished to voice his delegation's disappointment over the fact that the report requested by the Council in resolution 1989/86 had not been presented. He earnestly hoped that it would be available at the forty-sixth session of the General Assembly. Meanwhile, in flagrant violation of international law and United Nations resolutions, Israel was continuing to rob the Palestinian people of its sovereignty over its own natural resources. It was continuing to carry out mass expulsions and displacements of the Palestian population and was pursuing its policy of settlement in the occupied Arab territories with the object of changing the demographic composition. The Libyan Arab Jamahiriya denounced such practices and reaffirmed the inalienable rights of the peoples of the occupied Arab territories and their permanent sovereignty over their natural resources. It appealed to the international community to see that an end was put to the Zionist occupation, so that the Palestinian people could return to the land of its ancestors and found an independent State there.
- 29. Lastly, recalling that his country had hosted the 16th meeting of the Conference of Ministers of the Economic Commission for Africa (ECA), he welcomed the resolutions that had been adopted (E/1990/84) and had been endorsed by the Economic and Social Council by consensus at its second regular session. He hoped that they would receive the necessary support at the current session of the General Assembly.
- 30. Mr. DEO (India) recalled that India had been host to the Global Consultation for Safe Water and Sanitution for the 1990s, held in New Delhi from 10 to 14 September 1990. Organized by UNDP, the Consultation had been co-sponsored by the United Nations Interagency Steering Committee for Co-operative Action for the International Drinking Water Supply and Sanitation Decade (1981-1990). The New Delhi Statement (A/C.2/40/3) had been adopted by 600 participants from 115 countries.
- 31. Coming as it had at the conclusion of the Decade launched after the Mar del Plata Declaration in 1977, the New Delhi Consultation had provided an opportunity to review the experience of the 1980s and evolve new strategies. By and large, the results were positive, even though, despite their sincere efforts, none of the developing countries had succeeded in providing a water supply to cover the entire

(Mr. Deo. India)

population. Meanwhile, the challenges that still faced the international community were formidable in view of rapid population growth, persistent pollution and the degradation of water resources.

- 32. In accordance with the four guiding principles of the New Delhi Statement, the the following goals must be pursued: the integrated management of water resources and wastes, institutional reform, community management of services and the adoption of sound financial practices.
- 33. Countries and aid agencies were urged to formulate water and sanitation action plans incorporating those guiding principles. Drinking water was a basic human need, and access to water was crucial to health, productivity and development. Through co-operation between developed and developing countries, substantial progress would be made in the years to come.
- 34. Mr. URIARTE (Chile) said he associated himself fully with the views expressed by the Chairman of the Group of 77, and agreed with him that the radical changes in international relations gave cause for considerable concern as to the future of international co-operation for development.
- 35. The Charter gave the Economic and Social Council a central role with regard to the work of United Nations bodies in the economic, social and humanitarian fields. However, the Council had not so far been able to discharge its mandate to the full. Although the initiatives taken to revitalize the Council, in particular at the instigation of the Group of 77, were indeed welcome, as were the proposals made by the Secretary-General, the fact must be faced that much remained to be done. At a time when the end of the bloc policy was enabling the Organization to rexume its proper political role, Member States were not displaying the same will when it came to economic and social problems. Parallel with the humanization process taking place in the political sphere, a trend towards dehumanization in the economic sphere could be observed.
- 36. The Chilean delegation was convinced that the time had come to undertake a radical reappraisal of the Council's role and genuinely address the issues which lay at the heart of the international community's concerns, rather than merely discussing such matters as documentation or rationalization of work. Full advantage must be taken of the consensus that had emerged at the eighteenth special session of the General Assembly and during the negotiations on the international development strategy for the fourth Secade; boldness and fresh thinking must prevail and outdated negotiating procedures must be reconsidered. Thought might also be given to reducing the number of resolutions and concentrating only on the more fundamental issues that were universal in scope.
- 37. It might perhaps be useful in that connection to draw on the experience gained in the Security Council and to set up, in the case of the Economic and Social Council, an executive committee or a mechanism for informal consultations composed of members selected according to the principle of equitable geographical and political distribution which would meet in the intervals between the

(Mr. Uriarte, Chile)

Council's regular sessions to pursue the study of questions that were deemed to have priority and which, more importantly, could act in an emergency. The democratic Government of the Republic of Chile hoped, as of the following year, to be able to make a contribution on those lines within the Council.

- 38. Mrs. EHRENREICH (Denmark), speaking on behalf of the five Nordic countries, said that her statement would be confined to the International Drinking Water Supply and Sanitation Decade, for improvements in those areas were essential to economic growth and social development in many developing countries.
- 39. The Decade had enabled significant progress to be made by giving new users access to drinking water (1.3 million) and to sanitation (700 million). New and affordable technologies had been developed. The UNDP Programme for the Promotion of the Role of Women in Water and Environmental Sanitation Services (PROWWESS) had also played an important part. UNICEF had also made an important contribution to those achievements. Yet one third of the world's population still did not have adequate access to drinking water supplies and proper sanitation.
- 40. The Nordic countries wholeheartedly supported the principles of the New Delhi Statement, which gave absolute priority to achieving universal coverage in water supply and sanitation by the year 2000, through increased action at the national and international levels.
- 41. At the national level, the public authorities must give higher priority to that sector and take steps to improve management. They must also address the problems posed by rapid population growth combined with a slow-down in economic growth, and the need for full participation by all segments of society, particularly women, NGOs and the private sector.
- 42. At the international level, more resources should be allocated to that area. The United Nations must continue to act as a catalyst and to co-ordinate global initiatives and strategies. Co-operation among organizations should be strengthened, and efforts to ensure the full participation of women in decision-making should be continued.
- 43. At the global level, the Nordic countries supported a strengthened dialogue among all multilateral and bilateral agencies within the Framework for Global Co-operation aiming at maintaining the Decade momentum into the 1990s. For the Collaborative Framework to perform its task satisfactorily, it was important that financial support should be secured from the regular budget of the United Nations through a redistribution of resources.
- 44. In conclusion, she commended the organizations of the United Nations system for their important contribution, and expressed the hope that other countries would, like the Nordic countries, renew their commitment to achieving the objectives of the Decade.

- 45. Mr. LAJIM (Malaysia) said that his delegation had always been a strong advocate of assistance to the Palestinian people and year after year, had sponsored the resolutions on that issue. The Ministers for Foreign Affairs of the Group of 77 had noted with grave concern that Israel's occupation of Arab territories had deprived the people of their sovereignty over their natural resources, thus impeding their economic and social development. Malaysia joined the call by the international community for the immediate lifting of Israeli restrictions and obstacles hindering the implementation of assistance projects by the United Nations Development Programme and other bodies, including the projects mentioned in General Assembly resolution 39/223. Trade concessions and concrete preferential measures should be granted for Palestinian exports on the basis of Palestinian certificates of origin. His delegation looked forward to studying the report of the Secretary-General on the progress made in the implementation of Economic and Social Council resolution 1990/59, which would be presented at the forty-sixth session of the General Assembly.
- 46. Malaysia recognized the important role played by entrepreneurship in the economic and social development of developing countries. Nevertheless, while it was true that growth depended on appropriate domestic economic policies, it was also true that such growth could not occur in the absence of a supportive international economic environment. His delegation looked forward to studying the report of the Secretary-General on measures to be undertaken at the national and international levels to promote the contribution of entrepreneurship.
- 47. Noting with concern that the economic and social consequences of the expansion of the AIDS pandemic posed a serious threat, particularly in countries with limited public health services, he said that his delegation supported the strengthening of the primary health care system. However, the struggle against AIDS should not divert attention from other national public health priorities. All organizations of the United Nations system, Governments and intergovernmental organizations should co-ordinate their efforts with those of the World Health Organization in implementing the global strategy for the prevention and control of AIDS, through the Inter-agency Advisory Group.
- 48. With regard to the restructuring of the economic and social sectors, and particularly the revitalization of the Economic and Social Council, the objective should be to ensure optimum use of the necessary resources in support of the objectives determined by Member States. He wished to emphasize the need for caution in undertaking reforms, particularly when those reforms directly affected the interests of developing countries; the activities of committees and bodies that promoted the interests of developing countries should not be curtailed for the purpose of economizing.
- 49. To enable the General Assembly and the Economic and Social Council to carry out their responsibilities under the Charter, co-operation between all the organizations of the system must be further strengthened. Strong commitment and political support on the part of Member States would be necessary if the reforms were to be effectively implemented. It would be in the common interest of all countries to ensure that the bodies responsible for economic and social affairs

(Mr. Lajim, Malaysia)

were more responsive not only to current issues but also to emerging problems. In that connection, Malaysia wished to call for the full implementation of Economic and Social Council resolutions 1988/77 and 1989/114.

- 50. With regard to the code of conduct on transnational corporations, he recalled the four main issues that remained outstanding in the negotiations, and pointed out that, although it had not been possible to agree on the final draft of the Code, the vast majority of its provisions had already been accepted. It should not be too difficult, therefore, to reach agreement on compromise formulations of the remaining provisions, and his delegation hoped that the General Assembly could do so at the current session.
- 51. His delegation welcomed the report of the Secretary-General on the preparations for the Second Industrial Development Decade for Africa and the report on the Second Transport and Communications Decade in Africa; both those reports would contribute towards Africa's objective of achieving self-reliance at the national and regional levels. His delegation supported the idea of conducting a mid-Decade review and evaluation of the status of the World Decade for Cultural Development. It also noted with satisfaction the conclusions of the Global Consultation on Safe Water and Sanitation for the 1990s, held recently in New Delhi.
- 52. Mr. JONES (Australia) said that, since the previous session, the AIDS pandemic had grown dramatically. One of the most tragic aspects of the pandemic was the impact of AIDS on women and children (one third of those thought to be infected were women). Of the 30 million people expected to be HIV-infected by the beginning of the next decade, 3 million would be women of child-bearing age, and 10 million would be children.
- 53. The Australian Government continued to attach importance to the need for effective and co-ordinated international action to combat AIDS. The resolutions adopted by consensus in the General Assembly and the Economic and Social Council nad underscored the role of WHO in that area, thereby helping it to obtain and expand support in the field for its activities under the global strategy on AIDS. It was now especially important to guard aginst complacency and, in line with the recent Paris Declaration and World Health Assembly resolution 43/10, to give greater prominence to the effects of the pandemic on women and children.
- 54. Although AIDS was a global problem, its effects were particularly tragic in the developing countries. Australia therefore fully supported the work being undertaken, particularly by WHO and UNDP, in conjunction with other concerned agencies and with recipient Governments. The WHO/UNDP alliance was a milestone in that regard, establishing the framework for co-ordinated and complementary actions. There was a need to build on the initial phase in the fight against AIDS by increasing understanding of the development implications of the pandemic. His delegation was therefore pleased that UNDP, WHO and UNICEF had begun or were planning studies to address that issue.

(Mr. Jones. Australia)

- 55. In the Asia and Pacific region, the number of AIDS cases had increased significantly, and Australia had hosted a regional conference on the question. Australia would continue to support efforts to combat AIDS through the provision of funds, expertise and continued close co-operation with other countries. It would contribute \$A 4 million for regional programmes over the period 1989-1993, in addition to the \$A 2 million committed to WHO global programme on AIDS.
- 56. Natural disasters had also caused untold human suffering and economic and social dislocation. During 1990, the first year of the International Decade for Natural Disaster Reduction, it was important to bear in mind that, although natural disasters could not be prevented, their impact could be lessened. His delegation welcomed the work being done by the Office of the United Nations Disaster Relief Co-ordinator. Australia, for its part, was participating in the regional preparedness programme, which was designed to help developing countries to develop their own capabilities in responding to natural disasters.
- The United Nations was ideally located to play a leading role in helping developing countries to cope with problems such as AIDS and natural disastors; however, its economic and social machinery was hampered by outmoded and cumbersome organizational structures. At a time when the United Nations was improving its performance in the fields of international peace and security, there had been little real improvement in the way in which the economic and social machinery operated. Some decisions had been taken during the previous year concerning the revitalization of the Economic and Social Council, but little had been actually achieved. If the economic side of the Organization's operations was to become more relevant to the real world, its Members must first ask themselves what the objectives of the economic and social machinery should be, and then set about tailoring the organizational structure to meet those objectives. One step would be to explore the linkages between the Economic and Social Council and the Second and Third Committees, together with their linkages with the subsidiary bodies, the United Nations Conference on Trade and Development (UNCTAD) and the regional commissions. Unless such a broad appraisal was undertaken, the incremental approach applied to date was unlikely to produce significant results. As his delegation had stressed before, the objective of the reform exercise was not to cut costs, but to achieve results and increase programme efficiency.
- 58. Mr. TENNEY (Israel) said that the report of the Economic and Social Council was generally encouraging and, thanks to the major developments in Eastern Europe, which Israel welcomed, the climate for the Council's summer session had been favourable. Those developments had enlarged the family of democratic nations and meant that Soviet Jews were at last entirely free to emigrate to Israel.
- 59. Another positive element was that the Council had recognized the centrality of the human factor in development and the importance of popular participation and pluralism. Resource transfers and international financing were not enough to bring about sustained development in the developing countries. As the experience of Israel and other countries had shown, it was important to invest in people and to create a political and social environment that facilitated the participation and integration of the entire population.

(Mr. Tenney, Israel)

- 60. Another noteworthy element of the report was the idea that the revival of growth and development in the developing countries should remain a priority objective of international economic co-operation. However, that idea had been seriously compromised by the Gulf crisis and the consequent skyrocketing of oil prices, which had grave consequences for the oil-importing developing countries and the world economy in general.
- 61. His delegation joined with previous speakers in calling for an emergency meeting of the Economic and Social Council to examine the situation in the oil market with the oil-producing and oil-consuming member countries of the International Energy Agency. The oil-producing countries still had unused production capacity, and the oil-consuming countries had large strategic reserves. The rise in oil prices was due to psychological factors and speculation, not to a disequilibrium between supply and demand. The shortfall of 4.5 million barrels a day brought about by the loss of Iraqi and Kuwaiti production had been rapidly offset by increased production in other countries, and the problem of refining capacity had also been resolved. In the circumstances, convening the Economic and Social Council could be extremely useful. The very fact of holding such a meeting, with the participation and approval of the oil-producing and oil-consuming countries, might be enough to dampen speculative ardour and stabilize the market. In the opinion of many experts, there was no reason why current oil prices should exceed those of recent years.
- 62. Given the importance and the number of economic and social problems on its agenda, it was most regrettable that the Second Committee should be wasting precious time on questions involving the Arab-Israeli conflict, which was a purely political issue. Experience had shown that, far from helping to improve the economic and social situation in Judea, Samaria and the Gaza Strip, the resolutions of the Second Committee on those questions encouraged extremist factions in the Arab world, the foremost of which was the Palestine Liberation Organization (PLO), which remained the real obstacle to peace. It was entirely illogical for such a forum to discuss the acts of violence, the so-called "intifadah", which had dealt a brutal blow to the economic and social well-being of those territories. The Saudi delegation had cited figures, but Israel was not in agreement regarding the causes for the deterioration of the situation. Moreover, there was surely no grounds for orifying the intifadah, which, according to the head of the PLO himself, was not a struggle to reach an agreement or a political solution. The goal of the so-called revolutionary activities of the PLO was to build a Palestinian State on the ruins of Israel, even if it was to be done in stages.
- 63. In any event, the Arab-Israeli conflict including the Palestinian problem, the political complexity of which was well known had no place in the discussions of the Second Committee. The Second Committee could not conceivably make any realistic, constructive suggestions in that regard, even in the economic and social areas within its purview. Israel hoped whole-heartedly for peace in the region and was working unceasingly towards that goal, as demonstrated by its latest peace initiative. However, until peace was achieved, Israel had sole responsibility, both morally and in international law, for the well-being of the Arab population of

(Mr. Tenney, Israel)

Judea, Samaria and the Gaza Strip, and its policy was to use every means to increase the economic and social well-being of the population in co-operation with the international organizations concerned. That policy was the only possible explanation for the spectacular development that had taken place in those territories.

- 64. If they wanted to contribute to the peace process in the region, the Second Committee and the other United Nations economic and social organs should encourage any initiative that would establish ties in the form of economic co-operation, even indirect, between Israel and its Arab neighbours. Such ties would contribute to the well-being of all the region's inhabitants, Arabs and Jews alike, and might pave the way for peace. The Deputy Prime Minister and Minister for Foreign Affairs of Israel had proposed the establishment of such co-operation in a statement made in the plenary meeting on 1 October 1990.
- 65. Mr. LUFTI (Jordan), speaking in exercise of the right of reply, said that, according to the statement of the representative of Israel, living conditions in the occupied Arab territories had improved immensely. In that case, why were the Palestinians unhappy? Why were they revolting against the Israeli occupying forces? Why were there hundreds of Palestinians martyrs? Something was wrong either with the Palestinian and Arab perception of the Israeli occupation or with the Israeli claims, such as those just made by the representative of Israel. was no justification for the latter's contention that the figures cited by the representative of Saudi Arabia were wrong. The Israeli representative should have taken the time to visit the United Nations library and to look at the hundreds of resolutions adopted by almost every organ of the United Nations system condemning Israeli policy and practices in the occupied Palestinian and Arab territories over the past 23 years. If it were true that the occupation and annexation of the Arab and Palestinian territories and the exploitation of their natural resources had been meant to improve the living conditions of the indigenous Arab population, it would be evidence of a new theory of economic development: development and growth through the occupation, annexation and exploitation of the indigenous population as a source of cheap labour. It would even be tempting to say that it was in the interest of every developing country to invite Israel to occupy and exploit its territory in order to achieve development and improve living conditions. Even without going over past Israeli policies and practices in the occupied Palestinian and Arab territories, it could be seen that present realities held little promise for a better future.
- 66. Mr. TAYEB (Saudi Arabia), speaking in exercise of the right of reply, said that, while the Israeli representative had stated that the Second Committee was not the appropriate forum for discussing political issues, that representative himself had underscored the political aspect of the problem. As for the figures cited by the Saudi Arabian delegation, they had been taken from United Nations documents and accurately reflected the situation. The Israeli representative would have done better not to mention the issue.

- 67. Mr. TENNEY (Israel), speaking in exercise of the right of reply, said that if, as the Jordanian delegation was complaining, Israel was present in the territories, it was because that situation had been imposed on Israel by the 1967 war. In the light of the grievances against Israel, the simplest solution would be to sit down at the negotiating table and attempt to resolve the problem.
- 68. The CHAIRMAN said that the general debate on agenda item 12 was closed, with the exception of the questions relating to the International Decade for Natural Disaster Reduction and to international co-operation to address and ameliorate the consequences of the accident at the Chernobyl nuclear plant.

The meeting rose at 12.20 p.m.