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Held at the Palais des Nations, Geneva,
on Wednesday, 3 July 1991, at 10 a.m.

President: Mr. DJOUDI (Algeria)

CONTENTS

Opening of the session

Statement by the President

Statement by the Secretary-General

Adoption of the agenda and other organizational matters

Election of members of Bureau for the Special High-level Meeting

Report of the South Commission

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The meeting was called to order at 10.30 a.m.

OPENING OF THE SESSION

The PRESIDENT declared the session open.

In response to suggestions by the Secretary-General, Member States had decided to hold a special high-level meeting with ministerial participation which would initiate a new tradition to be pursued in the Council's future work. The resumed General Assembly session convened in May in accordance with resolution 45/177, marked another important step in the process of revitalizing the Council and restructuring United Nations activities in the economic, social and related fields. The Council session would provide an opportunity to discuss those matters in depth and encourage implementation of the measures decided upon by the Assembly, thus enhancing the prestige and efficiency of the Council by relating its work more closely to that of the Assembly and of the two organs' subsidiary bodies. Such measures would also reaffirm the Council's role as the central body responsible for examining and coordinating major questions of international economic and social policy.

The general discussion would focus on the strengthening of multilateral cooperation in international economic affairs, an issue close to the heart of the Secretary-General, who had worked tirelessly to promote more balanced North-South relations and a renewal of multilateral cooperation.

In the present harsh economic environment, multilateral cooperation was irreplaceable. Three United Nations development decades had failed. The external debt crisis persisted and famine was endemic over vast areas, particularly in Africa. Commodity prices were low, despite years of uninterrupted growth in the northern countries. Barriers to developing country exports resulted in a loss of earnings estimated at over twice total annual ODA, and the upheavals in Central and Eastern Europe, whatever their long-term promise for the world economy, had in the short term increased the difficulties confronting the developing countries.

There was urgent need to reverse the erosion of multilateral cooperation and recognize that in an increasingly interdependent world the economic development of developing countries must be a central concern of the international community. The mobilization of the international community to encourage the integration of the countries of Central Europe and the East into the world economy had rightly been seen as the best means of promoting growth

and development and thereby stability and peace. A similar mobilization to further the economic recovery of the countries of the South was essential to avoid deepening distortions of international economic relations. The forthcoming Special High-level Meeting should prepare the way for concerted measures to take up those two challenges. The Declaration of the eighteenth special General Assembly session, the New International Development Strategy, and the New Programme of Action for the LDCs laid down guidelines for enhanced multilateral cooperation for development, but the new development consensus must be translated into deeds.

One essential step was a lasting solution of the external debt crisis of the developing countries, and reversal of the net transfer of financial resources from developing to developed countries. Earlier strategies had failed and the 6 per cent increase in developing country indebtedness over the past year coupled with rising interest rates underlined the urgency of bold steps to reduce the debt and resume substantial public and private financial flows for development. Successful completion of the Uruguay Round recognizing the interests and concerns of the developing countries, was vital to enable international trade to play a dynamic role in the world economy for the benefit of all.

The United Nations Programme of Action for African Economic Recovery and Development had not fulfilled its promises. Growth was still negative and the international community's commitments were slow in being fulfilled. On the eve of its evaluation by the Assembly, the Programme's failure underlined the urgency of effective steps to ensure Africa did not remain the continent forgotten by development.

The forthcoming United Nations Conference on Environment and Development would be a landmark both in terms of level of participation and of the issues at stake. It was essential that the environment-development linkage should find full expression in the Conference, which should adopt a balanced approach taking into account global and specific concerns and not creating new impediments to development.

Great importance attached to the forthcoming discussion of the role and capacity of the United Nations system in the humanitarian field and disaster relief. The Gulf crisis and the recent natural disasters in Bangladesh and the Philippines had demonstrated the importance of the United Nations role in such emergencies.

The Council would have an opportunity to informally discuss the report of the South Commission, to be introduced by President Nyerere, and of the views of the panel of eminent persons. The Commission's emphasis on revitalizing South-South cooperation was timely. South-South trade, for example, barely exceeded 9 per cent of the world exports, while intra-African trade represented only 4 per cent of the continents total trade. Substantial successes were, however, being achieved in the development of economic cooperation in Africa, South America and South East Asia. Recent moves towards integration through the Arab Maghreb Union were a further example of efforts towards collective self-reliance in the developing countries. Such efforts should be vigorously supported by the international community. Subregional and regional integration of the developing countries could provide opportunities for new cooperative links between North and South. The joint initiative by countries on the north and south shores of the Mediterranean, in particular by the Maghreb countries and the EEC, were examples of a type of relationship that should be explored to provide a basis for democracy and renewed growth and development.

The SECRETARY-GENERAL said that many recent events justified optimism regarding the future of mankind while others were a source of concern. The United Nations role in guiding the world community towards political harmony and economic and social progress was crucially important. Its work in the fields of peace and security could not be separated from its responsibilities for improving living conditions throughout the world.

For hundreds of millions of people living in the developing countries, malnutrition, hunger and disease were everyday realities. A very high proportion of the world population barely eked out a living and over a billion lived in abject poverty. Natural disasters, like those in Bangladesh and Peru, pointed to the fragility of the economic, social and ecological infrastructures of the countries concerned and the damage they had sustained in the past decade. World economic growth had been slowing down while capital needs had considerably increased. Countries that had until recently been major creditors were now in need of capital. The continuing deterioration of the developing countries' position in the world economy was a matter of grave concern to the United Nations. World trade had been growing faster than developing country exports and imports. Direct foreign investment had

quadrupled in the 1980s, but the developing countries' share had plummeted. Private bank lending to heavily indebted developing countries had practically ceased since the beginning of the debt crisis in 1982 and for nearly a decade the indebted countries had been capital exporters. Since the early 1970s, external conditions and internal factors had combined to make capital formation and economic development difficult.

Increasingly the developing countries saw trade and foreign investment as crucial to overcoming the financial and development crisis of the 1980s. In that context the liberalization undertaken in many developing countries had been important. Some countries had shifted to more outward-oriented development strategies and policies tending to restrict foreign investment had been eliminated.

Deregulation and privatization had become current practice throughout the world. In the developing countries and in Eastern Europe, the move in that direction had been a response to excessive state control and poor economic and social performance. In over 80 countries assets and services were being transferred from the public to the private sector, a reflection of ideological changes regarding the role the State should play in the management of the economy.

Such restructuring had been slow and difficult. In most cases, liberalization and appropriate economic policies were not enough to create a favourable environment for investment and growth. The absence of export markets, the debt burden and deterioration of the physical and social infrastructure had discouraged investment.

Renewed growth and development in the developing countries required a dynamic trading system in which their exports would not be thwarted by restrictions in the industrial countries. It was a matter for concern that the outcome of the Uruguay Round was still uncertain and regrettable that the developing countries' major problems had not so far been addressed.

Over the years he had maintained that bold solutions to the debt problem needed to be implemented to revitalize the developing country economies, particularly in Africa and Latin America. So far, proposals for resolving the problem had achieved little. Efforts to ease the bilateral debt of the developing countries had not been very successful, and only a few African

countries had benefited from the 1988 Toronto initiative. While the Trinidad and Tobago Terms and the Netherlands and Bush initiatives were a step in the right direction, global measures were needed. The Paris Club decision to write off a large part of the external debt of Poland and Egypt could provide a model in dealing with the indebtedness of other developing and East European countries.

The crisis in Africa was deeply worrying. If measures were not urgently taken, more than half the population of Africa would be living below the poverty line at the end of the decade. Since the adoption of UNPAAERD in 1988, the African countries had instituted major reforms, including efforts to promote popular participation. The coming General Assembly would consider why those efforts had not revitalized economic growth and why economic conditions had continued to worsen.

It was obvious that support by the international community had been insufficient. He hoped the Assembly would draw up a programme with specific objectives for financing the long-term development of the African countries and better access to external markets.

Complex emergency situations had recently underlined the importance of rapid and effective action by the United Nations system. At a time when the fortieth anniversary of the Office of the High Commissioner for Refugees was being observed, the dramatic increase in the number of refugees and displaced persons was a matter of deep concern. While attempts to eliminate the root causes of such emergencies should be pursued, he would continue his efforts to strengthen the United Nations system's capacity to provide speedy and effective emergency humanitarian assistance. He would closely follow the Council's deliberations on the matter. Whatever the structures of the United Nations system might be, it was essential that the international community should provide the necessary increased resources to enable the United Nations to discharge its increasing responsibilities.

Healing the scars left by the Gulf crisis in the economic, social and environmental fields needed a carefully considered international response. Iraq's invasion of Kuwait had resulted in massive destruction of the physical, economic and social infrastructure, unprecedented ecological damage and tremendous human suffering, which was continuing. While the world might have overcome the initial shock of the crisis, many developing countries and

hundreds of thousands of migrant workers continued to suffer. The Council's exchange of views on the economic, social and ecological consequences of the situation between Iraq and Kuwait would contribute to efforts to mitigate the human suffering and improve the economic prospects of the countries affected.

One critical problem was obtaining an increase in available resources to meet new and competing claims. Unless the African countries received support, a catastrophic human tragedy would result and the political economic transformation process would be undermined. Unless the indebted countries in Asia and Latin America were enabled to meet their financial requirements, their economic progress might be halted. And unless the world community devoted adequate resources to protecting the environment, mankind's well-being, and indeed its very survival, could be in jeopardy. The real challenge facing the international community was to find sufficient resources to finance world development. It was perhaps time for it to consider dispassionately how all the essential needs were to be met in the future. The issue was essential to the maintenance of peace and security. Accordingly, he proposed that consideration should be given to the convening of an international conference on financing development. It was highly important to identify possible sources of finance and devise mechanisms to make available the necessary funds to finance a vastly larger growth and development.

Human well-being, economic progress and collective security were inextricably linked. The current rapid changes in all aspects of life, and ever wider democratization, were having their effect on societies as well as on relations among States, requiring the world to follow a new path in which all mankind worked in harmony for the common weal and the future of the whole world.

ADOPTION OF THE AGENDA AND OTHER ORGANIZATIONAL MATTERS (item 1 of the provisional agenda) (E/1991/100; E/1991/L.24)

The PRESIDENT invited the Council to consider the provisional agenda (E/1991/100).

Mr. STOBY (Secretary of the Council) said that all the pre-session documents for the session had already been issued or would be available, in time for the deliberations on the agenda items concerned.

The PRESIDENT said that, on that understanding, he took it that the Council agreed to adopt the agenda in document E/1991/100.

It was so decided.

The PRESIDENT invited the Council to approve the programme of work in section II of document E/1991/100.

It was so decided.

The PRESIDENT informed the Council that Mr. Silovic had been obliged, due to circumstances beyond his control, to resign from the post of Vice-President of the Council and that the Eastern European Group of States had nominated Mr. Calovski (Yugoslavia) to replace him.

Mr. Calovski (Yugoslavia) was elected Vice-President of the Council and by acclamation.

Election of members of Bureau for the Special High-level Meeting

The PRESIDENT reminded the Council that the Preparatory Meeting for the Special High-level Meeting of the Council had recommended inter alia that the Bureau for that meeting should be composed of representatives from the same States as the Bureau of the Council for 1991, and that the Chairman of the Special High-level Meeting should therefore be from the same State as the President of the Council. He invited the Council to elect by acclamation, as officers of the Special High-level Meeting, Mr. Ibrahim (Algeria) as Chairman and Mr. Che Wan (Malaysia), Mr. Save-Soderbergh (Sweden) and Mr. Tomic (Chile) as Vice-Chairmen.

It was so decided.

REPORT OF THE SOUTH COMMISSION (A/45/810 and Corr. 1; E/1991/90 and Add. 1 and 2).

The PRESIDENT welcomed Mr. Julius Nyerere, former President of the United Republic of Tanzania and Chairman of the South Commission, and the representatives of Venezuela, Norway and Senegal, whose presence testified to their commitment to the promotion of South-South cooperation. He also welcomed the Secretary-General's participation in the Council's deliberations.

The United Nations system must maintain its contribution to strengthening the developing countries' individual and collective self-reliance. UNCTAD's contribution had been most welcome in that regard. The members of the Council greatly appreciated the efforts of the Chairman of the South Commission and of all those who had joined him in the task.

The establishment of the Commission during what had been described as a lost decade for development reflected the urgent need to strengthen the principle of individual and collective self-reliance of the developing

countries, through greater use of their potential for economic complementarity. The Commission's report had shed new light on the variety of potentialities inherent in the furtherance of South-South cooperation, based on the new vision of development which put people at the centre of its range of activities.

The report did not gloss over errors committed by the developing countries during past decades in their quest for speedy economic growth, such as the tendency to develop material at the expense of human resources, and to copy development experiments which failed to take account of local conditions. As a result, the Commission's proposed three-part agenda of action was intended as an expression of hope with regard to the South's individual and collective capacity to take up the development challenge through an authentic system of interdependence. But its success depended on mobilizing the efforts of the countries themselves and a substantial improvement in the international and economic environment, since South-South cooperation had never been intended to replace North-South cooperation. The international community must do its utmost to promote the economic and social well-being of the weakest links in the chain of the nations.

The United Nations was duty-bound to contribute to that task - as the General Assembly had recognized at its forty-fifth session.

The informal exchange of views to be held offered an appropriate occasion to consider the contribution the world community and the United Nations could make to the recommendations contained in the South Commission Report. It should also lead to sectoral consideration of the recommendations, particularly those contained in chapter V of the report, by the relevant United Nations bodies. It was encouraging that at its seventh session, the High-level Committee on the review of TCDC had decided to consider its contribution to implementing the South Commission Report at its next session, to be held in 1993. The High-level Committee had set an example for other bodies and programmes of the United Nations system.

The SECRETARY-GENERAL paid tribute to Mr. Nyerere for his service to his country and Africa, and his efforts in the search for solutions to critical global problems. He also thanked the other distinguished contributors to the South Commission Report.

For the past 10 years the developing countries had been increasingly marginalized. With few exceptions, their economies had stagnated or declined; the challenge of the 1990s was to find a way for them to return to sustained social and economic development. The need for urgent action was generally acknowledged, but the needed actions and the time-frame had still to be decided upon. The South Commission Report contained a balanced review of the developing countries' internal problems, provided a strong argument for strengthening popular participation in those countries, and stressed the importance of domestic economic reforms, including a reduction in military expenditures. Institutional and policy reforms in the developing countries must reconcile economic growth and social equity with the preservation of cultural identities. The Commission also rightly acknowledged the need for a comprehensive framework to deal with democratic and environmental problems, recognizing that a people's basic needs were the primary objective of development.

The importance of greater economic cooperation and integration among developing countries had been recognized. Although progress beyond a conceptual framework had been limited, there were encouraging signs at the regional level such as the recent signing of the African Common Market Treaty. The Commission had provided renewed impetus for such efforts by emphasizing the political and economic imperatives of economic cooperation among developing countries in the broader context of multilateral cooperation.

The Commission also convincingly urged a reinvigorated North-South dialogue and appropriate reforms in international arrangements. The critical unresolved problems of the 1980s such as debt, lack of finance, insufficient commodity revenues and restricted access to markets could not be separated from the central issues of poverty, human development and the environment. The report provided a timely opportunity to address those critical issues in a new spirit of cooperation. The most important question was how to translate the ideas and recommendations into action. The United Nations would continue to support concerted international efforts to achieve the objectives outlined by the South Commission.

Mr. NYERERE (United Republic of Tanzania), Chairman of the South Commission, observed that, as the South Commission Report stated, responsibility for the South's development lay with the South. The

discussions about strategy and the recommendations for action were addressed in the first place to the peoples and Governments of the developing countries. Peoples and their nations could not be "developed" from outside but must modernize in conformity with their cultures and national history.

Since, however, the South was inevitably affected by what the North did, or failed to do, the report also addressed the North's countries and institutions. The United Nations and its agencies were set up, pursuant to the Charter, to maintain and extend world peace and security; and the international trade and financial institutions were intended to promote and well-being for all the world's peoples. The report was addressed, therefore, to all those world bodies also.

The report's discussions and recommendations were based on the premise that development was about people - a process to enable human beings to realize their potential, and lead lives of dignity and fulfilment, and a movement away from political, economic or social oppression. That definition implied freedom for individuals and nations. It required national and international democracy - the freedom of people to participate in making decisions which affected their lives. The definition demanded recognition of equality of persons within nations and of equal sovereignty among all States Members of the United Nations. It required discipline and impartial enforcement of the rule of law.

But its economic and social implications were equally important. Political freedom could not exist when peoples or nations were dependent upon others for their very existence. At the very least, they must struggle for an end to such conditions. Therefore, the Commission's first major strategic recommendation to the countries of the South was that they should direct all their economic and social policies towards building national self-reliance, making the utmost use of human and natural resources. Policies and budget allocations in all spheres should be directed to that end.

Building national self-reliance would never be an easy task for developing countries. It would often demand politically difficult decisions to ensure reasonable equity during the development process and would require a concentration on projects and production methods that could make the most of the productivity of plentiful human and natural resources and make less use of those in short supply. A nation adopting such a strategy would use the

energies and knowledge of its own men and women to the full. It would use its own experts before employing outside experts, and would expand the abilities of its own people and the number of its own experts through a high priority education policy. Special emphasis would be placed on the development of scientific and technological capacity. A balance appropriate to the country concerned would have to be found between State and market activities, neither of which enjoyed a monopoly advantage for the creation of a society based on equality, equity and freedom.

The responsibility for such action lay with the developing countries. The basic question for the North and for the international financial and trade institutions was whether they would allow developing countries to make their own difficult but necessary decisions in freedom; whether they would assist or hinder the building of national self-reliance; whether they would cease to extract billions of dollars annually from the impoverished; whether they would reconsider the design of the numerous adjustment programmes that were regularly imposed on the South in the light of their devastating impact on the poor; and whether they might consider it possible that wholesale privatization was not the answer to every problem in every country of the South and that all countries should be allowed to decide that matter for themselves, without sanctions.

The Commission's second strategic recommendation was that the countries of the South should act deliberately to build collective self-reliance through greater and increasing South-South cooperation. The Commission's report suggested some fertile areas for action and discussed ways and means of overcoming the problems. The development actions of individual countries could be expanded through South-South cooperation, leading to collective self-reliance; and a strengthening of all the countries concerned and of the South collectively. In the light of modern scientific and technological developments and of recent political changes in the North, the need for economic and social cooperation among countries of the South was imperative.

Virtually all the developed countries of the North were powerful and rich, the national income of Belgium alone being roughly equal to that of the whole of Africa south of the Sahara; yet the strong developed countries recognized the need for building greater unity among themselves, as in the

case of the free trade pact between the United States of America and Canada and the move towards integration of economic and social policies among European countries, which would constitute a large, wealthy and powerful free trade area by the end of 1992. The countries of the South must learn from that example and make the best use of their resources for the development of their peoples.

The potential for South-South cooperation was greater than in the 1950s when the cooperation policy had first been adopted, because the countries of the South had become more heterogeneous. They were no longer merely primary producers. Many had a sizeable and successful industrial sector and a number exported manufactured consumer goods, motor vehicles and in some cases even aeroplanes and machine tools to the North. Students from other countries of the South could attend the South's excellent advanced educational and scientific institutions, specialized in science, technology and other disciplines, which provided courses directly relevant to the conditions, needs and environment of developing countries. Student interchange could be one facet of a greatly expanded people-to-people, business-to-business, non-governmental cooperation within and across the South. South-South cooperation would never become really effective until the people and their various organizations were involved. The Governments concerned would need to facilitate and encourage such cooperation, but individuals and organizations must be free to make their own contacts and contracts, within their countries' laws. The many useful areas of cooperation, including joint production, communications or service enterprises and inter-South university studies could all help to strengthen the economies of the South.

The Commission stressed that the responsibility for action towards collective self-reliance lay with the South itself, but the question again arose as to whether the countries of the North and the international institutions would help or hinder that process. The report called for their help and indicated areas for urgent action, foremost among which was the ending of the huge annual transfer of resources from the poor South to the rich North. The South's own resources should at least be allowed to be available for its own development.

As the Commission pointed out in its third major strategic recommendation, a further lesson which the South needed to learn from the practices of the North was that of solidarity and united action. Vitally important international negotiations were proceeding daily in the Uruguay Round, in environmental conferences, in UNCTAD, in IMF and the World Bank and in numerous other forums, and one or other developing country was daily negotiating with the North on debt, trade restrictions or other problems. Participants from the North attended virtually all those negotiations with an agreed position in which all internal differences had been settled or set aside. The Commission's view was that the countries of the South should also build effective solidarity among themselves, work out a common position for negotiations and act upon it at the regional and global levels as appropriate.

There was nothing confrontational in the call for solidarity. It arose from a recognition, first, that genuine negotiation leading towards a peaceful solution of differences could only take place when there was respect and some semblance of equality between the negotiators; secondly, that although very weak economically and backward technologically, the countries of the South largely acted individually in international negotiations; and, thirdly, that although it was strong and its nations were older and more stable, the North mostly acted in unity. In view of the inevitably strong nationalism in young nations and their administrative and technical weaknesses, it was a daunting task for the South to build its own solidarity, yet that was its own responsibility which no one else could assume. Outside interference could, however, make the building of effective solidarity even more difficult. Encouragement, and technical assistance where requested, could help considerably. The Commission was therefore once again asking the North and the international institutions to help or, if they were unable to do so, at least not to hinder.

The last major call to the countries of the South was for greatly increased emphasis on building and using a capacity for science and technology, whose ever-increasing importance was stressed in the report, together with a recognition of the lack of importance attached to them by most developing countries over the past three decades. Recommendations were made for action by the South and attention was drawn to areas in which the North could assist.

It was hoped that the report would be given serious consideration by the peoples and Governments of both South and North and by the international institutions. Among the many issues discussed in the report were those of the actual and potential contribution of women to development in the South, cultural development, militarism and corruption. Detailed recommendations were made throughout the report on the basis of serious analysis. Major successes had been achieved in the South and there was abundant evidence that its peoples remained undefeated by their problems. He commended the individuals, institutions, organizations and Governments in the North and the many international organizations which had offered valuable development assistance.

He stressed, first, that the responsibility for development in the South rested on the South itself and that that had implications in all fields of activity; secondly, because the North was the real holder of world power and its actions affected the South, it had an overriding duty to help and not to hinder the South in its development efforts; and thirdly, that the countries of the South had a right to call for special support from the international organizations. The fundamental division in the contemporary world, and one that threatened future world peace and security, was the division between North and South. Now that the East-West division was being healed, the Commission's desire was that South and North and all the international institutions should work together to build a world in which peace, security and dignity would be the birthright of all peoples, in which everyone could benefit from the advances of science and in which the world's resources could be prudently used to satisfy the needs of all and not merely the narrow self-interests of a few.

Mr. DURAN (Venezuela) said that his country attached particular importance to the new efforts to secure the solidarity of the countries of the South in the search for joint solutions to common problems, and had taken an active part in those efforts. At the current session of the Council, attention was being drawn to the conclusions reached and recommendations made by the countries of the South as a result of the work carried out over three years out by a group of distinguished world personalities in development, with the support of institutions and individuals from a wide range of professions and ideologies throughout Asia, Africa and Latin America. Other commissions,

including the Pearson Commission, the Brandt Commission and the Brundtland Commission, which had reported respectively in 1969, 1980 and 1987, had been concerned with specific problems of the South, and had all made significant contributions in analysing the challenges to be faced by the countries concerned, but those efforts had been focused on North-South relations, while the South Commission had been established by personalities from the South and devoted to an analysis of the problems of the South. Hence the great interest aroused by the report, which gave a unique picture from the South itself of the problems to be faced by that vast group of peoples known as the Third World, and comprising three quarters of the world population.

The report pointed out that despite the progress in recent decades, the Third World's problems were still horrifying, with 1,000 million human beings living in absolute poverty, 800 million daily suffering from hunger, 900 million adults in a state of illiteracy and 700 million without drinking water. The problem was overwhelming, and the underlying structural socio-economic problems had been seriously exacerbated by the financial crisis affecting by the countries of the South in recent years, including the demands of external debt payments. While recognizing the magnitude of those problems, the South Commission realized the enormous opportunities open to the South itself to tackle those difficulties, in the light of its immense natural resources, including two thirds of the world's vegetable and animal species, enormous mineral reserves, skilled technicians and indigenous technology. Major markets and financial resources were unused or underused, as shown by the considerable financial deposits by citizens and companies of the South in banks in the North. The South could not tackle its problems on its own and with its own resources alone, however. Despite the emphasis placed on national and collective self-sufficiency, the report stressed the importance of the North-South dimension, on which it made a number of interesting recommendations. That could not be otherwise in the light of the interdependence of the contemporary world. On the other hand, the North could not ignore the problems of the South, which had an inevitable impact on the North's well-being, as could be seen from the political instability resulting from socio-economic instability, environmental degradation arising from extreme poverty, mass migration and the increasing resort to illegal

activities such as drug trafficking. Apartheid in South Africa had proved to be an unsustainable system within the boundaries of a country, and an "apartheid" of the North vis-à-vis the South would be even more unsustainable.

The Commission had taken full advantage of the Commission's independent status to analyse, in a spirit of genuine self-criticism, the difficult problems that had been dealt with so far by Governments in international forums in an aloof and oblique manner. The excesses of nationalism, authoritarianism, militarism, corruption, economic inefficiency and concentration of wealth and privilege in the hands of élite leaders were not problems peculiar to the South. They also existed in the North and East. The members of the Commission considered that no serious treatment of the development problems of the South could avoid a recognition and analysis of those aspects. The Commission had thus performed a valuable service to the Governments of the South and to the process of discussion by the international community, which might be followed as an example in similar future efforts in the North and East to find an equitable and effective means of international joint action to deal with common problems.

While the Commission recognized that the countries of the South should pay major attention to the indispensable role of the market, the market's limitations could not be overlooked. The State had played an important role in promoting and implementing reforms and changes for the benefit of the most underprivileged social sectors.

The Commission had made similar comments with respect to the wave of democracy running through the world and had recommended that emphasis should be placed on a more integrated promotion of democracy that basically took account of the socio-economic situation and the cultural diversity of the countries concerned to guarantee a more sustained and genuine participation.

The report applied an up-to-date criterion for dealing with other major contemporary topics such as the effects of East-West détente on the North-South question, the development of economic adjustment programmes in the South, a call for the North also to make its own economic adjustment in the interest of a complete international economic restructuring, and the impact of the formation of new economic groupings such as the European Community.

Some of the Commission's recommendations were already being implemented. A case in point was the high-level group for South-South consultation and cooperation, better known as the Group of 15, which served as a forum for

frequent consultations among developing countries with the aim of coordinating the policies and measures at the world level and assisting in the formulation and execution of programmes among them. The Group's next summit was to take place in Caracas and the approaches of the South Commission had been taken into account in its work.

Far from being animated by a spirit of confrontation, that approach carried a message about a new international order in the service of cooperation and peace. The report had rightly referred in its introduction to the need for the South to work towards an undivided world in which there was no "South" or "North", no divisions of rich and poor, developed and underdeveloped, a world of equal opportunities and joint action to achieve agreed goals. The advance of science would be for the benefit of all and available resources would be used to satisfy the needs of all, not to serve the selfish interests of the few. That view of the world should be the concern of all members of the international community, and it could only be realized with the efforts of all concerned.

Rapid changes were taking place in the world and there were numerous opportunities that must not be wasted. Systematic changes had taken place in the internal structure of States, in the distribution of power in international politics and in relations among States. On the threshold of a new millennium, the world was moving towards a new world order in which all States must participate and ensure that the emerging potentialities would be used for the benefit of all peoples, under the protection of a renewed and strengthened international solidarity.

There were extraordinary challenges in such areas as international trade, where the successful conclusion of the Uruguay Round was of crucial importance. The protection of the environment, external indebtedness and the energy question. Venezuela had taken an active part in the efforts to meet those challenges.

His delegation hoped the Commission's report would be discussed in the South, North and East as fully as possible and that its recommendations would be taken into account by Governments and non-governmental organizations with a decision-making capacity, in the interest of the peoples of the South and of the world as a whole, and that United Nations resources would provide

support. Venezuela reiterated its commitment to the cause of peace, cooperation, democracy and all activities that could contribute to the building of a world of solidarity.

Ms. HERNES (Norway), speaking on behalf of the Nordic countries, said that the Commission's report was the most thorough analysis so far of the South, by the South, and for the South. Its clearly stated recognition of the South's primary responsibility for its own destiny was welcome, given the recurrent, and not always unjustified, criticism that had been levelled at other declarations from the South for placing too much of the blame for failure, and too much of the responsibility for doing better, on the developed countries.

The first part of the report, concerned with the national level, rightly stressed the importance of developing human resources, including improving the status and education of women, since people were both the end of, and the most important means for, all economic and social development. As democratic processes, respect for human rights and improved and equal opportunities for all people to participate in economic, social and political activities were key elements for broad-based development in any country, it was gratifying that the issues of democracy and broad popular participation should be so well covered. Without broad participation, and a system based on accountability and transparency that could fully release the people's creative potential, there could be no broad and lasting development. Recognition of that fact could not be transferred from the North but must originate in the South itself.

The report was frank about the challenges facing the countries of the South in respect of the importance of ensuring good government and the effective use of scarce resources. Progress in that area would lend additional moral weight to the South's demands on the developed countries of the North.

As the World Commission on Environment and Development had pointed out, development in the longer term would be impossible unless the criteria for sustainable development were met. The Nordic countries welcomed the essential, though brief, chapter of the report underscoring the importance of the South's adopting an environmentally sensitive approach to development. Environmental degradation was both a cause and an effect of poverty. There could be no real long-term solution to the poverty problem unless environmental concerns were properly integrated into all development

activities. The link between environment and development had been highlighted in the Declaration of the recent conference of developing country Ministers of the Environment in Beijing. That conference had been an important step in preparing a platform for the South to use in the international negotiating process.

The report also described what could be done on a regional level. There was great and largely untapped potential for South-South cooperation and the Commission had suggested, among other things, the establishment of a South Bank and a Third World Chamber of Commerce. Past experience, that of the Southern African Development Coordination Conference for example, showed that much could be gained from such cooperation if there was adequate commitment and determination on the part of the participating countries. The Commission had suggested that a South Secretariat should be established to provide institutional backing for the South's efforts to enlarge South-South cooperation and the Nordic countries had demonstrated their support by helping to finance a temporary South Centre in Geneva to follow up the Commission's recommendations and, it was hoped, pave the way for a South Secretariat.

Lastly, the report contained a number of proposals for action at the global level. There were signs that the South's recognition of its primary responsibility had been accompanied by an equally essential recognition by the North of its responsibility for ensuring an international environment that would be more conducive to the South's development efforts. Unfortunately, the recognition of that shared responsibility had not so far been accompanied by adequate practical responses from the North. The Nordic countries joined the South Commission in urging that more should be done to reach the internationally agreed targets of 0.7 per cent of GNP in Official Development Assistance and at least 0.15 per cent of GNP in aid to the least developed countries.

The report put forward a number of creative and visionary proposals for debt alleviation, global economic management and international trade which would no doubt come up in relevant international forums in due course and make a valuable contribution to the North-South dialogue.

In conclusion, she stressed the importance placed by the Nordic countries on the shared responsibility of North and South for meeting the global environmental challenges that lay ahead. To make it possible for the South to

shoulder its part of the responsibility for protecting the common heritage, it should receive financial and technological assistance in addition to the existing development assistance.

Mr. SENE (Senegal) said that the Commission's report recommended strategies for taking up the challenges that faced the South based on the lessons of the past, the current international situation and the prospects for the future. The report pointed at the increasing disparities between North and South through a comparative analysis of such socio-economic indicators as infant mortality, nutritional levels, school attendance, structural and institutional deficiencies, unemployment, inflation, indebtedness, the collapse in commodity prices, the degradation of the environment, and their manifold repercussions on the poorest groups in the developing countries. At a time of accelerating scientific progress and technological information, the communications revolution and growing economic interdependence, the ties between North and South must make it possible to mobilize their collective energies in order to eliminate the poverty and underdevelopment which were the chief causes of environmental degradation in the South.

The South's aim, according to the report, was true world interdependence in which the nations in all their diversity would work together to achieve goals fixed by common accord, and in which peace, security, dignity and lasting development would be the birthright of all peoples.

Although it stressed the need for an international environment favourable to development and called for efforts to advance the North-South dialogue, the report also stressed the developing countries' own responsibility for building a better future. It devoted considerable attention to the ongoing work of political and economic reform and to the need to improve economic management and human resources as well as to restore democracy while avoiding bureaucracy, authoritarianism and corruption. The report made it clear that, in the last analysis, the appeal of the South for justice, equity and democracy in international society could not be separated from the pursuit of those same goals within the countries of the South themselves. Attachment to democratic values, respect for fundamental rights, the right to disagree, fair treatment for minorities, care for the poor and handicapped, probity in public life, and the will to settle differences without resort to violence, would all influence world opinion and increase the South's chance of securing a new international order.

The report went on to discuss such matters as entrepreneurship, private initiative, the role of women in development, the importance of cultural factors as sources of creativity, and the role of the State in the effort to achieve development goals. It emerged quite clearly that detailed and constructive negotiations would be necessary to ensure the effective and equitable management of an increasingly interdependent world. The integration at the world level of the monetary and financial markets and of production and technology had far-reaching effects both on the global economy and on that of the South. Before engaging in those negotiations, however, the South must strengthen its collective position, drawing on the lessons learned in the 1980s in trying to build a more equitable international economic system.

The report rightly stressed the need to improve communication among the countries of the South, promote interregional trade and expand the field of cooperation among developing countries in order to make the best possible use of its diversity of resources, skills, capacities and scope for investment. Institutions and mechanisms already in existence must be used to help the South to mobilize its human and financial resources.

The report gave due importance to culture, which must be included in development strategies in order to attract the support of the people and mobilize their enthusiasm and creative potential for dealing with current problems. Respect for the cultural dimension would help to avoid alienation and social disintegration or a retreat into retrogressive and obscurantist ways of thought. The cultural field also offered vast possibilities for South-South exchanges in the arts, publishing, music, cinema, tourism and so on.

The South's possibilities of development were obviously clearly linked to improved relations with the North. The question before it was not how to break with the North - which would be absurd - but rather how to transform the relationship from one of exploitation to one of mutual advantage, from domination to partnership. The North needed the South just as much, for reasons of self-interest, as the developing countries assumed an increasingly important role in the world economy. No country or group of countries, no matter how rich or powerful, could solve the world's problems without the participation of the rest in securing a more equitable system whereby an interdependent world would be managed in the interest of the developed

countries, those in transition and the developing countries. New international machinery was needed to cope with the complexity of the world economy that had resulted from the increase in the number of economic actors and transactions.

On the topic of energy, the report came out in favour of an internationally accepted system to avoid the South's development being hampered by inability to organize an orderly expansion and equitable distribution of non-renewable resources. The report's view was that the world economy needed an energy regime that would be stable, capable of coping with fluctuating prices and demand in a way equitable for both producers and consumers. The meeting at Paris organized by France and Venezuela had provided an opportunity to take up the oil question in detail.

On the question of the environment, the report made it clear that although the countries of the South confronted many ecological dangers, the major responsibility rested with the North. With only 20 per cent of the world's population, the North consumed 85 per cent of its non-renewable energy resources. It should take steps to adjust both production and consumption and to reduce greenhouse gas emissions. Solving of the world's ecological problems would demand immense additional resources and the transfer of environmentally safe technologies. The ecological agenda was loaded with political, economic and social implications for the future of all the countries of the South, and they must work out a collective response for negotiations with the North. Political will must be mobilized to find realistic and effective solutions to the problem of development and environment. All efforts must be mobilized to ensure that the forthcoming world conference on the environment marked a decisive advance towards lasting development and global security. In any event, resumed development in the South was vital to the protection of the world environment, for poverty was a major cause of environmental degradation. There could be no question of measures to protect the environment that would result in keeping the South in poverty.

The people of the South, who constituted the immense majority of the world's population, must be able to influence the course of history in a way that rejected marginalization, instability and underdevelopment. That was the aim of the 15 member Summit Level Group for South-South Consultation and Cooperation set up in June 1990 at Kuala Lumpur. The Group's aim was to forge a joint approach and work out a set of options and strategies based on the needs and views of the South. It hoped to serve as a catalyst for the South's efforts both to strengthen South-South cooperation and to improve North-South relations, to act as an engine for the South's collective advance, and to restore international cooperation for the benefit of lasting development, stability and world peace.

The meeting rose at 1.00 p.m.