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STATEMENT BY MR. ABDELAZIZ BOUTEFLIKA, MINISTER FOR FOREIGN  
AFFAIRS OF ALGERIA (PRESIDENT OF THE MINISTERIAL MEETING OF  
THE GROUP OF SEVENTY-SEVEN), AT THE 1154TH MEETING ON  
24 NOVEMBER 1967

I should like to begin by expressing Algeria's appreciation of the honour of presenting the results of the Ministerial Meeting of the Group of Seventy-Seven to this meeting today.

In choosing Algeria as the seat of their Ministerial Meeting last October, the developing countries displayed, with regard to my country, a confidence and esteem which do it honour and which I am sure it will do its utmost to deserve.

The Meeting was characterized by an intense desire for unity and a profound sense of responsibility which prevailed during its proceedings and which did credit to the participating countries.

It brought out in particular the unanimous determination of the countries of the Third World to set the scene for a true dialogue with the industrialized countries, so that the international community should at last take the urgent steps which the intolerable situation of two-thirds of its members demand.

It would have been all too easy for the countries which met in Algiers last October to draw up a statement of default against the developed countries - because default there was; it would have been easy to present a list of demands, which the present situation of their peoples would have amply justified. But that is not the sense of the recommendations by the Ministerial Meeting of the Seventy-Seven, which I have the honour to present to you today and which are contained in a document which the Meeting unanimously called the developing countries' "Charter of Algiers".

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When the representatives of the Third World adopted this Charter in Algiers, they were acutely conscious of international economic realities. They wanted it to be, above all, an invitation to the whole world to co-operate, voluntarily and unreservedly, in the struggle against economic under-development.

We hope that this co-operation will find its principal opportunity for application at New Delhi a few weeks hence, at the second session of the United Nations Conference on Trade and Development.

At Algiers the developing countries considered it essential to prepare a programme of action for the second Conference because they refuse to lose hope and still believe in the virtues of discussion and co-operation. This confidence in joint action, this hope of working out a comprehensive development strategy, must not be disappointed as they were after the 1964 Conference and during the United Nations Development Decade. Today, even more than in 1961 or in 1964, we owe it to ourselves and to future generations to proceed resolutely to action if we really wish to leave the scourge of under-development behind us and give the peoples of the Third World objective reasons to hope for an improvement of their lot.

During the last twenty years, much has been said, mostly from this very rostrum, in favour of the economic and social development of the Third World. The announcement of the Development Decade in 1961 was a spectacular demonstration of a world-wide realization of the phenomenon of under-development. The convening, three years later, of the first United Nations Conference on Trade and Development made it possible to link economic development irrevocably to international trade and to state the principles which should govern them. What was dramatically lacking and is to be deplored is a will to commit themselves on the part of those very countries whose contribution could have been decisive and whose immense resources are still being used, if not wasted, on sterile undertakings. Since the necessity was plainly recognized and the means of action clearly defined, how is it possible not to rise up against those who, through inertia or a desire to perpetuate the status quo, still refuse to participate in a struggle the outcome of which is vital for all mankind?

At Algiers, however, the developing countries unanimously rejected the idea of revolt and concentrated on creating the most suitable conditions for collective effort. In doing this, it put its hopes in the New Delhi Conference and the

essential dialogue which should lead to this joint effort. To initiate this dialogue and to prepare the different participants in the search for concrete solutions, the Ministerial Meeting of the Seventy-Seven decided that the Charter of Algiers should be presented, this month, in this building, to all the States Members of the United Nations and to the Governments and regional organizations of the developed countries. High-level missions were therefore sent by our Group, as an expression of our goodwill and determination to make New Delhi a true, decisive step in the effort towards recovery. We place great hope in these missions and we attach the highest importance to their success.

In this connexion, the mission to this high international authority entrusted to the officers of the Ministerial Meeting of the Seventy-Seven is of particular importance. During its twenty years' existence, the United Nations has witnessed and, in many cases, has actively contributed to the political emancipation of the peoples of the Third World. It has devoted itself to setting up a new world order, in which the sources of tension and conflicts would be eliminated for ever and international peace and co-operation would finally prevail. During those twenty years, the number of States Members of the United Nations has grown considerably and it is only because of certain champions of the bygone order that our Organization is not even more world-wide and more effective. The dangers inherent in the international situation and the inability of our Organization to act are the surest indication of the precariousness of the present situation and the gravity of the additional risks due to the aggravation of under-development. I need not emphasize to this Committee that the relaxation of the tension created by the recent confrontation between East and West is not enough to guarantee world peace. In fact, it is only too symptomatic that the centres of war are no longer set up and maintained in the industrial countries of the rich, privileged North, but in those vast regions of a South which are condemned to poverty, disease and ignorance and in which the anachronistic exploitation of peoples and their resources by the imperialist Powers tenaciously persists. At a time when the colonialism of past centuries is not yet dead, new conquests and new forms of domination are appearing, sometimes aggressive, sometimes insidious. Whether it be in Viet-Nam, where a heroic nation's resistance to a super-Power's desire for hegemony is winning the admiration of the world, in Africa, where millions are

still oppressed by racist minorities, or in the Middle East, where imperialism does not shrink from armed aggression to keep its monopolies' hold on the wealth of the Arab World, it is as if the lessons of the past were vain and the developing countries were for ever to remain a region of exploitation and a stage for confrontation.

Faced with these developments and seeing the scale of values distorted and the orders of priority reversed, we have a right to wonder about the destiny of world peace. Developed countries which show sublime indifference to the important problem of our economic development do not hesitate to mobilize vast resources when it is a question of imposing their will on the world by force of arms or of protecting doubtful interests. It is significant that these countries continue to devote enormous sums to strengthening and perfecting means of mass destruction, whereas they plead lack of funds whenever they are asked to make a real contribution to the far more urgent cause of development. It must be admitted that a great deal remains to be done before the nature of the struggle against under-development, which is necessarily collective, and the realization of all the dangers inherent in this state of affairs, make salutary action incumbent on all concerned.

For the problem is not one of means; it involves both ethics and a choice, for nothing lasting will be done without a clear decision and a resolute political will.

We consider it inadmissible that nearly \$200,000 million per year are spent on armaments, whereas the net transfer of capital from rich to poor countries is less than \$10,000 million and, despite the growing needs of economic development, transfers of public funds are, at most, about \$6,000 million. We find it inadmissible that the principal industrial countries, some of which allocate more than half of their national budgets to military expenditure, should, since 1961, have refused to increase the amount of their assistance to the poorer countries.

Today, the gap between rich and poor is constantly widening and is becoming a challenge; as the United Nations Development Decade enters its final phase, the rate of economic growth of the under-developed world continues to decline. In our countries the average annual increase in per capita income is less than \$2, whereas it is as much as \$60 in the industrialized countries. The purchasing power of the

Third World is steadily declining at a rate of \$2,500 million per year, thus constantly increasing our indebtedness. This is why the developing countries' external public debt alone quadrupled between 1955 and 1966 and today stands at \$40,000 million. The evolution of financial aid, sometimes controversial in some of its aspects, is a matter of grave concern and it is to be feared that, by 1970, the burden of debt of the developing countries will equal the volume of net transfers of funds, so that the aid given will merely cancel itself out.

While development aid is slackening and the terms upon which it is granted are becoming harder, the income which our countries obtain from their external trade is steadily declining. The developing countries' share in world trade decreased from 27 per cent in 1953 to less than 20 per cent in 1966.

It is obvious that our countries, owing to the situation in which they are placed, share even less in the much more dynamic and lucrative trade in manufactured goods, since the increase in their exports of these goods between 1954 and 1966 did not exceed \$3,000 million, whereas it amounted to \$10,000 million for the socialist countries of Eastern Europe and \$65,000 million for the Western countries.

If I refer today to the contradictions and insufficiencies which are delaying the economic and social development of the Third World, it is because, once more, the ways and means of mobilizing efforts to further this development are still lacking. The extreme poverty of the one group of countries and the extraordinary progress and prosperity of the other should find common ground and, for the good of all concerned, produce the miracle of development. The risks which poverty engenders and which are a daily reminder of present-day world tensions, should make us realize more clearly our common destiny and reawaken the international conscience.

The Algiers Ministerial Meeting therefore wished to invite the developed countries, and especially the more powerful among them, to carry out a fundamental revision of their policies in regard to international co-operation.

Today, if we have not yet succeeded in applying the indispensable remedies, at least the developing countries cannot be criticized for not proposing practical and immediately applicable solutions.

Already in 1964, after ratification of the Final Act of the first Conference on Trade and Development, our countries were anxious to point out in a joint Declaration that, in their opinion, the recommendations of the Conference only constituted a preliminary step towards the acceptance by all countries of a new trade policy. They exhorted the international community not to be satisfied with the progress made, which was far from sufficient for their essential needs. They foresaw already that the crucial problems created by the extent to which they lagged behind the developed countries in trade had not been sufficiently recognized and that the solutions advocated might have very limited effects. Nevertheless, these countries accepted the Geneva resolutions because their need to unite was urgent and because, as they saw it, the results of the Geneva Conference were to be the prelude to a much wider collective action.

Although these countries' desire to see the creation of an international trade and development organization was realized, they each have legitimate cause to ask what happened to the 1964 resolutions.

The fact is that despite the adoption of these resolutions by an international community supposedly convinced of their necessity, the developing countries still meet the same difficulties both in reversing the unfavourable trends in their terms of trade and in obtaining increased financial and technical assistance.

With regard to the income from the export of their primary products, our countries have not yet succeeded in calling forth the international effort calculated to stop the fluctuations in commodity prices and stabilize them at remunerative levels. They note that the developed countries, which sell them their own primary products at prices 10 per cent above the 1958 figures, continue to buy from them at prices 7 per cent down on the 1958 ones. Since 1964, and notwithstanding the recommendations of the first Conference, the developed countries have refused to negotiate even a single new agreement on our staple primary products such as cocoa, sugar and rubber, whereas for wheat, for example, which is essential to our countries and of which they are net importers, an agreement was quickly concluded to the rich countries' advantage. Primary commodities continue to be threatened on the markets of the developed countries by their own less profitable products and by directly or indirectly competing synthetic products. These trends are encouraged by the continuation and often

intensification of severe protectionist measures which the rich countries continue to apply to our exports, thereby violating the recommendations of the Geneva Conference and the standstill principle which had been accepted in 1964.

Tariff restrictions and quotas, both general and selective, bear even more heavily on the goods we manufacture from our raw materials and the products of our industries.

With regard to development financing, we have to make just as categorical a report of failure. Although definite targets, such as the 1 per cent of gross national product, were accepted at Geneva, the will to apply them was once more lacking. The conditions of international financial aid have evolved without any consideration for our development, whether in respect of the volume of that aid, its cost or repayment periods. Actual disbursements of financial resources have levelled off in absolute terms and declined as a proportion of the gross national product of developed countries, since they only represented 0.62 per cent of GNP in 1966 as against 0.87 per cent in 1961. In addition to that substantial decrease in volume, international financial assistance has undergone serious qualitative changes. Multilateral aid is increasingly being replaced by tied bilateral aid, grants by loans and public contributions by private capital. The most striking illustration of these trends is the present paralysis of the International Development Association.

In fact, wherever we look during these concluding months of 1967, it is difficult to find cause for satisfaction. Disturbing effects overshadow the initial aims, thus proving that there is a long way to go before privileges are abandoned.

The advances made in the developed world, be they technical or institutional, are often fraught with hazards for our countries. Must we ourselves paradoxically forgo certain advances the better to serve the cause of development? It is undeniable that the regional integration of the developed countries is a step forward towards better utilization of resources and increased co-operation. But should it put even greater obstacles in the way of the trade of developing countries? We can well ask the same question with regard to co-operation between industrial countries, international monetary reform or scientific research leading to the manufacture of synthetic products.

The Kennedy Round negotiations, which ended this year, marked an important turning-point in the history of international trade. But need they also have represented a break between rich and poor countries by taking account only of the interests of the former? For our countries, which are unable to subscribe to that famous idea of reciprocal concessions, such negotiations were beyond our scope and merely resulted in a further disappointment. Whether it be the Development Decade, the first Conference on Trade and Development or the Kennedy Round, one factor, and one factor alone, is responsible for our failure: the refusal to commit themselves by countries which, having ample means to do so, have no faith in the new part we ask them to play.

What we have to fear today is that our most ardent hopes will once again be dashed when it comes to the other instruments we have tried to forge to serve economic development. The first anniversary of their creation sees the United Nations Capital Development Fund and the United Nations Industrial Development Organization still deprived of the resources which could have enabled them to carry out, at least in part, the mandates assigned to them by the General Assembly. Their limited action seems to stem from the reproach levelled against the developing countries that they had, as it were, forced the creation of those bodies on countries not fully prepared to support them.

Our countries are now accustomed to such reproaches, which fortunately do not stop them from going ahead in the direction of positive action.

Fortified by their unity in facing the problems of under-development, they have always fought tenaciously for a rectification of their position and for the advent of a new international order more favourable to their economic progress and to the improvement of their social situation. Within the Trade and Development Board, GATT, the International Monetary Fund and the International Bank for Reconstruction and Development, our countries have never ceased to advocate a concerted effort to correct the unfavourable trends in their economic relations with the industrialized countries; they have often drawn attention to the need for the entire international community to take preventive measures, as they did in their proposal to establish buffer stocks. They have always asked to assume the legitimate responsibilities which were theirs by right, as they did during the Kennedy Round or negotiations or again in the discussion on the reform of the international monetary system.



Moreover, our countries have not been afraid to preach by example and to put their convictions into practice. Their efforts at economic integration on the regional or sub-regional scale, still modest though they doubtless are, deserve more encouragement and assistance than they are now receiving. It is to the honour of our countries that they have affirmed expressly, despite their lack of means, their solidarity with respect to the more underprivileged among them.

Within the Group of Seventy-Seven, whose members have since 1964 co-operated closely in the United Nations in New York and in UNCTAD at Geneva, our countries have patiently striven to work out practical solutions to the problems of underdevelopment. The most inspiring example of this work is to be found in the Co-ordinating Committee of the Group of Seventy-Seven, which for almost one year threw themselves whole-heartedly into the task of preparing the Ministerial Meeting at Algiers. I am happy to pay a tribute to the members of the Committee as a whole and to their Chairman, Ambassador da Silveira of Brazil.

The Co-ordinating Committee's contribution, however, was considerably enhanced by the eminently helpful part played by the UNCTAD secretariat. In that connexion, I must again express appreciation for the unflagging efforts of Dr. Raul Prebisch, who continued to work for genuine international co-operation with characteristic distinction and devotion. I should also like to extend this sincere and friendly tribute to the members of the drafting committee and, more particularly, to our colleague Minister Stanovnik of Yugoslavia, whose faith, competence and dynamism contributed greatly to the success of the Conference.

It is still too soon, of course, to pass judgement on the work of UNCTAD in respect of commodities, preferences, trade promotion or technical co-operation, but we can at least say that the Secretariat has done real pioneer work in seeking solutions and in co-operating with other international organizations such as GATT and UNIDO, and that on its action are founded the hopes we all have for the New Delhi Conference.

In anticipation of the New Delhi meeting, the Ministerial Meeting of the Group of Seventy-Seven adopted the Charter of Algiers, which accurately reflects the aspirations of the peoples of our three vast continents. Indeed, it was at Bangkok, at Bogotá and at Algiers itself that the three regional groups held their preparatory meetings and ratified the three main texts which the Conference

had before it: the Bangkok Declaration of Asian countries, the Charter of Tegucigalpa of Latin American countries, and the African Declaration of Algiers. These three documents foreshadowed the Charter of Algiers, for they bore witness to a notable consensus which could be explained only by the common aspirations and the common destiny of our peoples.

The Charter of Algiers marks the beginning of a new era in international economic relations. The Conference of the developing countries might prove to have been an event of singular importance. The future will tell us still more, for the document which ratified its work already has historical significance. Its authors were moved by a common determination to transcend the stage of mere demands and to submit a realistic and convincing alternative to the underdevelopment of the Third World. The Charter of Algiers is in fact the expression of our faith in human reason and human solidarity, for starting with an analysis of a disturbing situation, it ends in a simple and practicable programme of action calculated to give genuine substance to the concept of international co-operation.

I shall not enlarge on the present situation, having already spoken on that subject at rather too much length, I fear, at the beginning of my statement. I should like, on the contrary, to stress once again the practical nature of the programme of action of the Seventy-Seven and the constructive spirit in which it is now proposed. This programme of action, covering the three main sectors in which an appeal is being made for immediate international action - commodities, manufactures, and development financing - presents clear-cut and strictly framed proposals.

On the subject of commodities, therefore, on the export of which most of our economies still depend, the Charter of Algiers calls for co-operation and negotiation with a view to concluding arrangements on a commodity-by-commodity basis. Although no such arrangements have been successfully concluded to date, despite the recommendations of the first Conference, they now seem eminently feasible in the light of the consultations conducted and studies made. In particular, the developing countries believe that an international Cocoa Agreement could be conducted before the end of 1967 and an Agreement on Sugar early in 1968.

In the case of buffer stocks, it also seemed desirable, with a view to marked stabilization, to recommend an initial phase of pre-financing by international institutions and developed countries, which alone are in a position to provide the necessary resources; that would be followed by regular financing from the exporting and consuming countries. Moreover, measures are recommended to overcome the obstacles to our diversification efforts, which call for additional technical assistance and the establishment of specific funds, and also to maximize and stabilize export prices - including an appeal to the developed countries to apply adequate customs and taxation policies.

The developed countries which apply trade restrictions are asked to make an effort to ensure their progressive elimination, either by reverting to the 1964 status quo, by guaranteeing minimum access to markets, by doing away with uneconomic local production and the production of synthetics or, lastly, by according preferential treatment to the products of developing countries.

The desire of the developing countries to expand the export of manufactures is a direct outcome of the remarkable growth experienced in that sector and of the decisive contribution of industrialization to any development policy. However, the fruits of expansion cannot be equitably distributed failing the adoption on the one hand, of conditions of equal treatment as between the developing countries, and the introduction, on the other, of preferential treatment vis-à-vis the developed countries. The principles governing a system of general and non-discriminatory preferences have been evolved to that end. They take due account of the circumstances of countries that are not yet in a position to benefit from preferences, and of the interests of countries situated in what are now preferential areas. To be fully effective, the system of preferences which we hope to see inaugurated at New Delhi will need to be accompanied by measures for the liberalization and promotion of trade in our processed products, in the form of wider access to markets with high purchasing power and also in the form of incentives for the consumption of these goods. United Nations organs, and particularly UNCTAD, will have a vital role to play in the execution of these measures.

To countries like ours, which are anxious to mobilize all available resources in order to make up the economic leeway, trade and assistance necessarily go hand in hand. Outside contributions will therefore continue to form an integral if

supplementary part of our development programmes. The Charter of Algiers describes in detail the terms for judicious financial aid for development, stating objectives in quantitative terms and outlining specific procedures. It advocates a greater role for the public sector so as to comply with the accepted target contribution from the richer countries of 1 per cent of their gross national product. It establishes specific criteria for the duration of loans and interest rates and calls for the alignment of lending terms with those established by IDA, with the creation of a Multilateral Interest Equalization Fund for that purpose. The Charter also suggests measures for the refinancing of loans and the consolidation of external debts on "soft" terms and conditions, to ensure that the burden of such debts does not cancel out the benefits of financial assistance in the short term. It also calls for a scheme of supplementary and compensatory financing, with the assistance of the International Bank for Reconstruction and Development and the International Monetary Fund, without prejudice to the sovereignty of member countries. As to the question of international monetary reform, the developing countries view it strictly in connexion with the question of development financing, and they seek active participation in the policies of international financial organizations in that regard.

Nor does the Charter of Algiers gloss over the serious misgivings of the developing countries concerning existing international shipping legislation, freight rates and insurance. It urges, accordingly, that the UNCTAD's competence should be fully reaffirmed in that respect and that conditions should be created to enable the developing countries to shoulder responsibilities in keeping with their national sovereignty and economic needs.

At Algiers, Mr. Chairman, our efforts were concentrated on creating appropriate conditions for international co-operation and a division of labour that would favour and not hamper economic development.

The redistribution of functions and resources which is currently taking place as a result of the formation or the strengthening of regional economic groupings of the advanced countries cannot contribute to world economic expansion unless it takes due account of our development needs. That is why the Charter of Algiers states not only that groupings of developed countries should avoid discriminating against the exports of developing countries, but also that they should promote the

diversification of production of developing countries by making their techniques and patents more accessible to them.

The experience of recent years has taught the developing countries that outside assistance can be meaningful only if it is matched by a more determined development effort inside the country. Such assistance should therefore be envisaged and accepted solely as an added impetus to accelerate the process of transition to the state of development. Naturally, our countries, which have learned from experience to rely first and foremost on their own resources and on the creative genius of their peoples, fully realized at Algiers the need to close their ranks and strengthen their ties of solidarity. They reaffirmed the necessity of intensifying trade expansion and economic co-operation among themselves as an important element of a global strategy for development. They are aware, of course, of the historical, geographical and social difficulties which exist, and which are absent in the case of co-operation among developed countries. They are nevertheless determined to explore fully the existing possibilities and to examine new ones, in order to achieve real economic co-operation at the regional and sub-regional levels. They hope to report on that subject to the United Nations Conference on Trade and Development at its New Delhi session.

There could scarcely be better proof of the spirit which prevailed at Algiers than the acceptance by the Group of Seventy-Seven of the principle of increased solidarity with regard to those countries among us which, being less advanced economically, might have less chance of sharing fully in the advantages of co-operation and the new international division of labour. It was in order to apply more effectively the principles of solidarity and co-operation among the developing countries that our representatives also made provision at Algiers for closer co-ordination of their future work and regular meetings at the highest level.

Our mission to this Assembly and to the United Nations Secretary-General is part of the information and persuasion effort undertaken by our countries on the eve of the second United Nations Conference on Trade and Development. Other goodwill missions are at present establishing contacts - which we hope will prove fruitful - with officials of developed countries, in order that the New Delhi meeting may indeed mark the stage of positive negotiations on specific programmes of action.

It is at the cost of these efforts, Mr. Chairman, that we shall be able to lay the foundations of the new international economic order to which we aspire. In that regard, the Charter of Algiers of the developing countries constitutes a basic document which can serve international and regional organizations, and Governments themselves, as a guide in their policy-making and in their action. We venture to hope that before the New Delhi meeting, a detailed study will be made of it by all who have direct or indirect responsibility in the formulation and execution of economic and trade policies.

We, for our part, are confident that the historic meeting at Algiers will have had the effect of hastening the realization by the poorer countries of their strength and their unity. In that regard, the success of the Algiers meeting is in itself a pledge of success for the forthcoming Conference at New Delhi. The merit of the Ministerial Meeting of the Group of Seventy-Seven will have been to bring forth a valid negotiating partner ready to assume tomorrow the role of co-worker in the common task of building a world of justice, prosperity and peace.

The responsibilities have now been allotted. The question at issue is to establish genuine international co-operation which will put an end to all relationships of exploitation and oppression. The climate of tension, which can lead to nothing but sorrow and devastation, has to be replaced by a climate of peace conducive to the all-round development of mankind. New priorities must be established, so that the vast resources at our disposal may serve to liberate and help man instead of shackling and enslaving him. We must ensure for the generations which will follow us, at the end of this twentieth century which has taken man both to the heights of progress and the depths of uncertainty, a world from which despair and poverty are banished for ever.

Mankind is capable of such a mission. Unless it renounces it - and that is inconceivable - it cannot but succeed.

Thank you, Mr. President.

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