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SECOND COMMITTEE

2nd meeting

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Tuesday, 1 October 1991

at 10 a.m.

New York

SUMMARY RECORD OF THE 2nd MEETING

Chairman:

Mr. BURKE

(Ireland)

CONTENTS

ELECTION OF OFFICERS

ORGANIZATION OF WORK

STATEMENT BY THE DIRECTOR-GENERAL FOR DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION

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

ELECTION OF OFFICERS

1. The CHAIRMAN informed the Committee that the Group of Eastern European States and the Group of Asian States had nominated Mr. Barac (Romania) and Mr. Ziaran (Islamic Republic of Iran), respectively, for the post of Vice-Chairman, and that the Group of African States had nominated Mr. Rakotonaivo (Madagascar) for the post of Rapporteur.

2. Mr. Barac (Romania) and Mr. Ziaran (Islamic Republic of Iran) were elected Vice-Chairmen by acclamation.

3. Mr. Rakotonaivo (Madagascar) was elected Rapporteur by acclamation.

ORGANIZATION OF WORK (A/46/250, A/46/251; A/C.2/46/1; A/C.2/46/L.1 and Add.1)

4. The CHAIRMAN drew the Committee's attention to a letter dated 20 September 1991 from the President of the General Assembly to the Chairman of the Second Committee (A/C.2/46/1) concerning the allocation of items to the Committee. He also drew attention to document A/C.2/46/L.1, containing the proposed draft programme of work prepared for the Committee by the Secretariat, and document A/C.2/46/L.1/Add.1 on the state of preparation of documentation.

5. He drew the Committee's attention to various actions taken by the General Assembly, based on the recommendations contained in the first report of the General Committee on the organization of the forty-sixth regular session of the General Assembly, with a view to promoting efficiency and economy.

6. Mr. MAJBOOR (Netherlands), speaking on behalf of the 12 States members of the European Community, proposed that item 81, on the external debt crisis and development should be taken up after the World Bank and International Monetary Fund (IMF) had held their annual meetings in late October.

7. He suggested that the programme of work should be altered so that the items on emergency humanitarian assistance would be taken up after the general debate. While his delegation was aware that the Secretary-General's report on that cluster of items was not yet complete, it felt that the General Assembly could consider the report in plenary when it took up item 143 on the strengthening of the coordination of humanitarian emergency assistance of the United Nations.

8. Mr. FJAERTOFT (Norway) proposed that the Committee should consider item 77 (c) on the World Decade for Cultural Development after the United Nations Educational, Scientific and Cultural Organization (UNESCO) had held its discussions on the Decade in late October.

9. Mr. SEZAKI (Japan) said he endorsed the Netherlands proposal because interesting results could be expected from the forthcoming annual meetings of the World Bank and IMF at Bangkok.
10. He saw no reason, however, to postpone the consideration of item 83 on the International Decade for Natural Disaster Reduction. The report of the second meeting of the Scientific and Technical Committee, held recently in Guatemala, was not complete, nor would it be by the beginning of October. The Special High-level Council would be holding a meeting before the end of the first fortnight in October. Japan would therefore prefer item 83 to be taken up on the dates envisaged in the programme of work.
11. Mr. OLISEMEKAL (Nigeria) said that, according to the proposed programme of work, items 78 and 79 on the United Nations Conference on Environment and Development and the protection of global climate for present and future generations of mankind would be taken up on the same dates as an African ministerial meeting on the environment which was to be held at Abidjan (Côte d'Ivoire). He proposed, therefore, that the consideration of those items should be postponed to 18-20 November and that on 11-13 November, the dates originally set for their consideration, informal consultations should be held on those items.
12. Mr. ETUKET (Uganda) endorsed the Nigerian proposal concerning items 78 and 79. Concerning the cluster consisting of items 82 (Operational activities for development) and 83 (Human resources development), his delegation proposed that the items in question should be taken up earlier since they had always been the subject of lengthy and complicated debates. His delegation was not suggesting any specific date, so that delegations would be able to hold the broadest possible consultations in that regard.
13. Mr. KUFUOR (Ghana), speaking on behalf of the Group of 77, recalled that documents were supposed to be ready six weeks before the start of the debate. Since the Committee had a very heavy programme of work, an effort should be made to ensure that documents were distributed reasonably well in advance of the start of the consideration of each item. If that was not possible, the debate should be postponed.
14. Mr. MAJOOR (Netherlands), speaking on behalf of the European Community, endorsed the Ugandan proposal that the consideration of item 82 should be postponed and the Norwegian proposal that the debate on item 77 should be deferred until after the UNESCO meeting.
15. Mr. SETH (India) endorsed the proposal by the Group of 77. As far as item 81 was concerned, his delegation noted that the representatives of the European Community and Japan wanted the debate to be postponed. Since debt negotiations were usually arduous and prolonged, it would be advisable to wait until the World Bank and IMF concluded their deliberations. However, postponing the item to late November would put it almost at the end of the calendar.

(Mr. Seth, India)

16. In his delegation's view, item 81 should remain where it was or a slight adjustment of two weeks should be made, so that it would be taken up around the middle of October. Subsequent inputs arising from the deliberations of the World Bank and IMF could be taken into account during the debate on the resolution on the debt problem.

17. Mr. FALL (Senegal) said that, according to document A/C.2/46/L.1, no meeting of the Second Committee was scheduled for Monday, 28 October. No reason was given for that recess in the notes to the document. He asked whether anything was taking place in the plenary on that date that might be of interest to members of the Second Committee, or whether that was simply a case of normal programming.

18. Mr. STOBY (Secretary of the Committee) said that the Bureau would meet to study the questions that had been raised, including when to consider item 81 and the rescheduling of item 84 and its sub-items relating to special economic and disaster relief assistance. With respect to the proposal of the delegation of Norway to defer consideration of sub-item (c) of item 77 on the World Decade for Cultural Development, there would be no difficulty in postponing it until the afternoon of 6 November. That change would also include sub-item (j) of the same item.

19. As the representative of Nigeria had mentioned, considering items 78 and 79 on 17 November would pose a problem, since it would coincide with the meeting of the African ministers responsible for preparation of the United Nations Conference on Environment and Development, and the Bureau would consider the proposal to move the date to 18 November. Of course the final decision would have to be made by the Committee.

20. With respect to the proposal of Uganda concerning items 82 and 88, which were scheduled for consideration on 7 November, he said that those items were normally taken up after the Pledging Conference, which was to be held in late October or early November. Despite that practice, there was no rule governing the matter; and the decision was up to the Committee.

21. The Secretariat took note of the statement of the representative of Ghana and would act accordingly. In response to the observation made by the representative of Senegal, he said that no meeting was scheduled for 28 October because private arrangements had been made with the Economic Commission for Africa (ECA), which would be meeting that day in New York. By cooperating with ECA, the Committee could use conference services on that day and hold the meeting, which would certainly be of interest for Africa and for many other delegations.

22. The CHAIRMAN proposed that the Vice-Chairmen and the members of the Bureau should study those suggestions and report to the Committee on the results of their analysis on the following day.

23. It was so decided.

STATEMENT BY THE DIRECTOR-GENERAL FOR DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION

24. Mr. BLANCA (Director-General for Development and International Economic Cooperation) said that, although the cold war had been centre stage for 45 years, now that ideological opposition between East and West had lessened, the time had come to tackle the complex problems of eradicating poverty, protecting the environment and combating crime and drug abuse.
25. The world economy showed alarming signs of weakness. The countries that would ordinarily be expected to provide the impetus necessary to revive the growth of the world economy were still mired in recession or barely beginning to pull out of it. Economic growth had slowed in Europe. Germany, too, was experiencing economic difficulties resulting from the process of unification. North America had not yet achieved full recovery. In Japan, the economy had become less dynamic and was showing signs of fatigue.
26. The transition to a market economy in the former socialist countries of Central and Eastern Europe was much more complicated than expected. The industrialized countries were barely beginning to realize the enormous cost of that transition. It was very possible that the industrialized countries would not have the resources to provide the needed material assistance.
27. To a certain extent, those upheavals had relegated the problems still being experienced throughout almost all of the developing world, but especially in Africa, to the back burner.
28. In September, the Ad Hoc Committee of the Whole had prepared the final review and appraisal of the implementation of the United Nations Programme of Action for African Economic Recovery and Development. The seriousness of the situation was clear. Per capita GDP had decreased by an annual 0.7 per cent across the continent. The drop in commodity prices had meant a loss of \$50 billion in income and in the terms of trade over a five-year period. Outstanding debt had increased from \$212 billion to \$271 billion, and service on the debt had reached \$23 billion in 1990. During the same period, the real value of net resource flows had shrunk.
29. The African countries and the international community must act immediately on a grand scale to curtail and reverse those negative trends. The Secretary-General had estimated that, for per capita income in sub-Saharan Africa to double to a meagre \$700 a year, GDP would have to increase at an annual rate of 6 per cent. Many African countries were embarking on the difficult path of political and economic reform.
30. In addition to recognizing the effort made and the considerable progress achieved, those involved in the development of the continent ought to allocate more resources to finance that reform process. The partial successes were undeniable, but so was the bleak picture painted by overall figures on Africa.

(Mr. Blanca)

31. Economic troubles were not confined to Africa. In Latin America, with few exceptions - Mexico, Chile, Argentina and Venezuela - most countries were waiting for their economic take-off. In Asia, too, although the recently industrialized nations did provide a model, immediate action was needed to jump-start the economies of most countries.

32. The relationship between crisis situations and underdevelopment was becoming more and more obvious. The frequency and magnitude of those situations had caused great concern in the international community. Whereas there were 36 million refugees in 1990, today 1.2 billion people were living in absolute poverty. It was the responsibility of the United Nations to convince the public and the Governments that the underlying cause of crisis situations was underdevelopment and that, for the most economic utilization of their own resources, they should concentrate in the medium- and long-term on the factors that were widening the gap between the developed countries and the developing countries.

33. The developing countries were still labouring under the growing burden of their external debt, which had now reached the astronomical figure of \$1.4 trillion and was the principal obstacle to their progress. The ratio between the external debt and GNP in all developing countries had risen considerably, especially in sub-Saharan Africa, where it had gone from 93.4 per cent to 102.3 per cent for the period 1989-1990.

34. Although the debt reduction measures adopted in some cases by donors revealed a new concept of debt management, it must be recognized that they applied only to certain categories of debt and were not enough to produce the liquidity and investment that the debtor countries needed to reactivate their growth.

35. Many developing countries possessed abundant natural and human resources but their exports depended on one or two basic products. The diversification which they needed to reduce their vulnerability should be accompanied by liberalization of international trade and by measures to open world markets to the developing countries' products. The Uruguay Round should help to resolve the problems that were so worrying to the developing countries. Many of those problems would be aired at the eighth session of the United Nations Conference on Trade and Development, to be held in Colombia in February 1992.

36. The interaction between population, growth and development was growing more and more important. Since 95 per cent of the 250,000 daily births occurred in developing countries, it was imperative to integrate demographic policies into long-term development plans. The population must be made aware, health and family planning services must be expanded and women must be given the means to bring fertility into line with economic realities.

37. Population explosion and poverty were two major factors in social problems and environmental degradation, as was clear from the controversies

(Mr. Blanca)

over the destruction of forests and desertification. What better example of interdependence than the environment? The forthcoming United Nations Conference on Environment and Development (UNCED) should therefore give equal attention to poverty and overconsumption, although hitherto debate had centred on the ecological dangers of industrialization. Obviously, there was an urgent need to curb emissions of poisonous gases that overheat the atmosphere and deplete the ozone layer and it was essential to complete the text of the framework convention on climate change so that States could subscribe to it at UNCED in 1992.

38. However, the vicious circle of poverty and environmental degradation had not been properly explained. The poor countries had to cut down their trees or burn their forests in order to survive. The debtor countries had to increase their exports, exploit their meagre natural resources and convert virgin land to commercial crops in order to pay their debts.

39. The vast world development enterprise called for a huge volume of capital. There was little chance, in times of unemployment and weak economies, of domestic savings increasing sufficiently to fill the gap and provide a surplus at world level. In order to increase the resources so greatly needed by both developing and developed countries, available resources would have to be redeployed and used judiciously.

40. The end of the cold war and the easing of tensions between East and West offered real prospects for diverting vast resources hitherto destined for military expenditure to economic and social development. Developed and developing countries alike must give priority to disarmament in the context of viable rules for regional and international security. The threat of mutual destruction which had maintained the balance of terror for 45 years now seemed meaningless. New dangers had taken its place, both nationally and regionally, which were even more terrifying because of the proliferation of nuclear weapons. The Gulf war, the longstanding troubles in the Middle East and the nationalist and ethnic uprisings in central and eastern Europe and in the Soviet Union showed how precarious and fragile peace was.

41. The United Nations should promote security agreements at world and regional levels. That would require a degree of confidence and transparency and, above all, reliable procedures and instruments, together with appropriate rules for disclosure and control of military expenditure, currently estimated at a trillion dollars. The United Nations was the most appropriate forum for elaborating and perfecting those procedures and instruments.

42. Once the modalities for world and regional disarmament had been decided on, regional and national objectives could be defined and resources channelled towards more productive ends - although there was clearly no hope that all the resources thus freed would be used for development. The problems of converting defence industries to civilian purposes and transformation in the nature of employment should also be borne in mind.

(Mr. Blanca)

43. None of those problems was insuperable and general disarmament obviously would free considerable resources for world economic growth. With those resources it would be possible to provide financial assistance to the countries most burdened by debt, transfer scientific and technical know-how and promote lasting and ecologically rational development, intensify diversification and restore the social services that had suffered from indebtedness and adjustment programmes.

44. In his annual report, the Secretary-General had mentioned his idea of convening an international conference on financing development, which could calculate the resources needed for economic development during the 1990s and define the means of mobilizing those funds.

45. It would be reasonable to think of preparing a framework for the progressive reduction of armaments in the next decade. At the same time, the United Nations should persuade the donor community that support for the development efforts of the developing countries would help to strengthen international peace and security, thus justifying new reductions in military expenditure. The problems of the environment, the drug traffic, AIDS, migration and crisis situations were matters of deep concern to the peoples and Governments of the developed countries. The United Nations could show that protection of the environment and lasting development were two sides of the same coin. The United Nations could also show that poverty was the main cause of the crisis situations and that even the effects of natural disasters could be reduced by sensible development programmes focused on preventive measures.

46. The world was facing enormous challenges, but they were in no way insuperable, because the international community had the resources needed to solve them. What was called for was an overall vision of growth, development and resource availability and needs followed by universal agreement on priorities. The United Nations was in a favoured position to give form to that vision and promote the collective action of the parties to the contract which must be drawn up in preparation for the coming millenium.

The meeting rose at 11.55 a.m.