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**SECOND COMMITTEE, 1506th
MEETING**

Friday, 1 December 1972,
at 3 p.m.

NEW YORK

Chairman: Mr. Bruce RANKIN (Canada).

AGENDA ITEM 46

Operational activities for development: reports of the Governing Council of the United Nations Development Programme (continued) (A/8703, chap. VII, sect. A, B and C; E/5092, E/5185/Rev.1):

- (a) United Nations Development Programme (A/8648, A/C.2/L.1256, A/C.2/L.1263/Rev.1 and Corr.1, A/C.2/L.1264);
- (b) United Nations Capital Development Fund;
- (c) Technical co-operation activities undertaken by the Secretary-General;
- (d) United Nations Volunteers programme (E/5146)

1. The CHAIRMAN said that the Committee should take a decision on the draft resolution A/C.2/L.1256 relative to financial resources for UNDP.

2. Mr. EKBLOM (Finland) announced that he would vote for the draft resolution in order to spur efforts to double the total resources of UNDP by 1975 since, now that it had been reorganized, UNDP had the capacity to administer twice the number of programmes that were now being delivered. His delegation was convinced of the need to grant special consideration to the least developed of the developing countries and to revise the indicative planning figures—and that required a substantial increase in UNDP resources. With that in mind, the Finnish Government had decided to continue to increase its annual contribution to UNDP by at least 15 per cent, subject to parliamentary approval.

3. Mr. WOLTE (Austria) said he would vote for the draft resolution to demonstrate his country's support for the goals and objectives of UNDP. Austria had steadily increased its contributions to UNDP and intended to continue that policy within the limits of its financial possibilities and subject to parliamentary approval.

4. Mr. GALLARDO MORENO (Mexico) said he would support the draft resolution, but noted that Mexico's contribution to UNDP was subject to a decision by the Mexican Congress every year. However, in the last few years, Mexico had regularly increased the amount of its contribution.

5. Mr. HEMANS (United Kingdom) observed that, by adopting the draft resolution, Governments would actually be committing themselves to increase their contributions to UNDP by 15 per cent annually, and

he doubted that the sponsors or even the delegations supporting the draft could guarantee such an annual increase. In the past two years, the United Kingdom had been able to increase its contribution to UNDP by a little over 15 per cent and, although it recognized the need to augment UNDP resources, his delegation could not agree that the means of achieving that increase should be so specifically quantified. He therefore suggested that, instead of fixing a specific percentage which Governments would be required to meet, they should simply be asked to make an effort to increase their contribution. Only then could his delegation vote for the draft resolution.

6. Mr. JOSEPH (Australia) pointed out that UNDP was not the only multilateral organization to which Governments contributed; organizations like FAO, IBRD, UNICEF and the regional development banks were also calling for an increase in their resources, and rightly so. Governments also financed bilateral programmes and each year they had to take a decision regarding the various contributions they made. His delegation therefore could not commit itself to giving UNDP priority over other programmes.

7. None the less, Australia had increased its contribution to UNDP by 20 per cent in 1972, and his delegation agreed that all Governments should try to increase their contributions to UNDP so that the resources available to the Programme would amount to \$500 million by 1975. However, 15 per cent should not be regarded as a magic number and the sponsors of the draft resolution should confine themselves to requesting Governments to make a substantial increase in their contributions. If they agreed to do so, his delegation would support the draft resolution and might even join in sponsoring it.

8. Mr. DE AZEVEDO BRITO (Brazil) reminded the Committee that the organizational reforms made in UNDP had been predicated on the goal of doubling the total resources of the Programme by 1975. The developing countries, which were striving to improve their economic situation, would like to receive stronger support from UNDP, and that was not possible unless Governments increased their contributions to the Programme by 15 per cent. It would also be desirable to reduce UNDP's administrative costs so that a larger portion of its resources could be used for development.

9. Commenting on the statement of the United Kingdom representative, he pointed out that the operative part of the draft resolution was not directed to all countries, but to the developed countries, particularly those whose contributions had not increased percepti-

bly in recent years. Finally, he recalled that the developing countries were financing a large part of UNDP programmes since, in addition to their contributions to the Programme, they made a matching contribution for projects executed in their countries.

10. Mr. GRANQVIST (Sweden) said he believed the difficulties in the wording of the operative part could be overcome. He would vote for the draft resolution, especially since an insufficiency of resources might jeopardize the success of UNDP's country programming. He noted that the Swedish Government was making an effort to increase its contribution to UNDP each year and emphasized that the draft resolution applied only to the period up to 1975. Finally, his delegation hoped that the increase in contributions would have a particularly beneficial effect on the poorest countries, especially the least developed of the developing countries.

11. Mr. FERNÁNDEZ VILLAYERDE (Spain) said that only the Spanish Government had the authority to decide on the amount of its contribution to UNDP or to any other organization. Moreover, he realized the difficulties which many countries would have in increasing their contributions to the Programme by 15 per cent. For those reasons, his delegation would be unable to support the draft resolution, which was unrealistic.

12. Mr. PATAKI (Hungary) said that contributions to UNDP were made on a voluntary basis and it was for Governments to decide the amount of their annual contributions; accordingly, adoption of the draft resolution should not be considered as implying an actual commitment which would infringe national sovereignty. In the past two years Hungary had increased its contribution to UNDP by 15 per cent, and it was sympathetic to the ideas in the draft resolution. However, the operative paragraph was not sufficiently precise; it should specify that it was addressed particularly to countries which, as former colonial Powers, had special responsibilities towards the developing countries.

13. Mr. ABHYANKAR (India) said he considered that only voluntary assistance was justifiable, particularly in the case of resources used for a general objective, as UNDP resources were. It was therefore discouraging to note that insufficient resources were available to UNDP, which was capable of administering programmes representing double the resources currently at its disposal.

14. Some delegations had mentioned the question of the distribution of burdens; his delegation believed that burdens should be shared equitably by the various countries, according to their ability to pay.

15. In conclusion, his delegation strongly supported the draft resolution, particularly since it was addressed essentially to those donor countries whose contributions had lagged behind in recent years.

16. Mr. CARIM (Turkey) agreed with the representatives of the United Kingdom and Australia that Govern-

ments should be encouraged to increase their contributions, but that no specific figure should be imposed on them. He therefore joined those two representatives in requesting the sponsors of the draft resolution to reword the operative paragraph.

17. Mr. CZARKOWSKI (Poland) said he would vote in favour of the draft resolution as an expression of his country's support for and gratitude to UNDP. However, an increase in contributions was a matter for national Governments to decide, and they could not firmly commit themselves to the percentage indicated.

18. Mr. CARANICAS (Greece) said there could be no question that the resources available to UNDP were inadequate in relation to its current capacity. However, his delegation would be unable to vote in favour of the draft resolution, which went beyond the provisions of Economic and Social Council resolution 1615 (LI), for it believed that the operative paragraph should be addressed solely to donor Governments and should read as follows: "*Urges* donor Governments, in particular those whose contributions . . .". Only if the paragraph was amended in that manner would his delegation be able to vote in favour of the draft resolution.

19. Mr. MASSONET (Belgium) said that he would abstain in the vote on the draft resolution. Belgium's contributions to UNDP were increasing at a rate higher than that suggested in the draft resolution, but his Government could not make commitments for the future on the basis of a calculated percentage.

20. Mr. HACHANI (Tunisia) said he did not believe that UNDP could perform the task entrusted to it unless it had adequate financial means, and he would vote in favour of the draft resolution; Tunisia was now planning to increase its contribution at the rate indicated in the operative paragraph.

21. Mr. GATES (New Zealand) endorsed the objective of doubling UNDP resources by 1975 but said he did not believe that the increase in contributions should be set at the same rate for all donor countries. He therefore requested a separate vote on the words "by at least 15 per cent annually".

22. Mr. AKRAM (Pakistan) felt that it was not enough to state that contributions should not lag behind; the only way to attain the objective of doubling the resources available to UNDP by 1975 was to set a rate at which contributions should increase. He recognized that all donor countries could not increase their contributions by 15 per cent, and he pointed out that the operative paragraph was addressed in particular to those whose contributions had lagged behind in recent years.

23. The sponsors of the draft resolution could not accept the amendment suggested by the Greek delegation, because the words in question had already been the subject of consultations and agreements; however, the sponsors definitely did have in mind donor Governments. The sponsors had agreed to replace the

word "*Urges*" by the word "*Invites*" and the word "*attain*" by the words "*promote the attainment of*".

24. He hoped that delegations would be able to vote in favour of the draft resolution with those changes.

25. Mr. ISAKSEN (Denmark) said that his Government, which made a substantial contribution to UNDP, hoped that the Programme would be able to play an increased role and, to that end, would receive greater financial support. His delegation would therefore vote in favour of the draft resolution, on the understanding that the operative paragraph should be understood as an expression of the hope that voluntary contributions would increase and that the objectives envisaged in the paragraph would not be used as a basis for long-term planning.

The words "by at least 15 per cent annually" were retained by 83 votes to 6, with 23 abstentions.

Draft resolution A/C.2/L.1256, as orally revised, was adopted by 92 votes to 1, with 20 abstentions.

26. Mr. SEPAHBODI (Iran) said that the fact that his delegation had abstained in the vote did not mean that it was opposed to the idea of doubling the resources available to UNDP; it believed, however, that a specific percentage increase could not be set for contributions, since they were voluntary; the very most that could be done was to appeal to Governments. The Iranian Governments had not waited for such an appeal and had doubled its contribution to UNDP.

27. Mr. NISHIZAKI (Japan) said that he had abstained in the vote because the draft resolution sought to double the resources available to UNDP, whereas the indicative planning figures were based on an annual increase of 9.6 per cent. His delegation had voted against the words "*by at least 15 per cent annually*"—although his Government had increased its contribution by 20 per cent—because it did not believe that the amount of the increase sought could be specified.

28. Mr. BORISOV (Union of Soviet Socialist Republics) said his delegation's affirmative vote did not mean that the USSR was committing itself to increase its contribution by 15 per cent annually. His delegation agreed with the call for increased contributions, but considered that it was addressed to the capitalist countries, namely the former colonial countries which were responsible for the situation of the developing countries.

29. UNDP and the United Nations Office of Technical Co-operation should take steps to utilize the contributions of the USSR more effectively. An amount of 18 million roubles contributed by his country had not been utilized.

Mr. Pataki (Hungary), Vice-Chairman, took the Chair.

30. Mr. GATES (New Zealand) said that he had voted against the words "*by at least 15 per cent annually*".

He had abstained on the draft resolution as a whole, although his Government had increased its contribution by 30 per cent, because he did not believe that all Governments could be asked to increase their contributions by the same percentage. It was for each Government to decide how much it would contribute.

31. Miss COURSON (France) said she had abstained in the vote although her Government had increased its contribution by more than 15 per cent. However, a realistic rate of growth should be agreed upon; the specified rate of 9.6 per cent appeared to be a satisfactory target. In any event, it would be unwise to use a 15 per cent increase as the basis for long-term planning, since most Governments were unable to make precise commitments for the future. However, that need not prevent donor countries from adopting a more dynamic approach.

32. Mr. KANKA (Czechoslovakia) said that his Government had regularly increased its contribution to UNDP, and co-operation between them would continue to develop. He had therefore supported the draft resolution, on the understanding that the operative paragraph did not refer to the Czechoslovak Government.

33. Mr. TODOROV (Bulgaria) said that he had voted for the draft resolution, on the understanding that it was not binding on Governments but was merely a call addressed to those countries which occupied a dominant position in international relations because of their colonialist past; what would be involved was a sort of restitution. The Bulgarian Government had increased its contribution by 10 per cent annually in recent years.

34. Mrs. COLMANT (Honduras) said that she had abstained in the voting, because she considered that the operative paragraph was far too ambiguous and could be interpreted in too many different ways. In fact, contributions were voluntary and depended on the economic circumstances of each individual country. She announced that her Government had increased its contribution as a mark of the confidence it placed in UNDP.

35. Mr. CAVAGLIERI (Italy) said that he had voted for the draft resolution as an expression of his country's support for the developing countries. However, he interpreted the operative paragraph as a general call to strengthen the financial situation of UNDP. On the other hand, he had voted against the words "*by at least 15 per cent annually*", since he could not agree to the setting of a precise amount for voluntary contributions. However, Italy had increased its contribution to UNDP by 42 per cent.

Mr. Rankin (Canada) resumed the Chair.

36. Mr. CARANICAS (Greece) said that he had taken note of the Pakistan representative's explanation that the operative paragraph was indeed addressed to donor Governments.

37. Generally speaking, he deplored the lack of realism that was all too often found in the United Nations; thus, the objective of doubling the resources available to UNDP was not very realistic, nor were the statements made in some quarters to the effect that the colonialist countries should assume all the costs. He had, therefore, abstained in the vote.

38. Mr. FINDLEY (Liberia) said that his Government had increased its contribution for 1973, but he had been obliged to abstain on the draft resolution because of the way in which the amount of contributions was decided under Liberian law.

39. The CHAIRMAN, referring to draft resolution A/C.2/L.1263/Rev.1 and Corr.1, said that all the amendments to the draft resolution proposed at the 1498th meeting had been incorporated in the revised text or had been withdrawn, with the exception of a United States proposal to replace the beginning of operative paragraph 1 by the following text:

"Invites the Administrator of the United Nations Development Programme, in consultation with the interested States Members of the United Nations".

40. Mr. ABHYANKAR (India) said that he had originally had reservations about the need to set up the working group envisaged in the draft resolution. However, the revised version of the text would provide the group with a specific programme of work which his delegation had no difficulty in supporting. There was no doubt that the developing countries could profit from each other's experience. His delegation would therefore vote in favour of the draft resolution.

41. Mr. VAN GORKOM (Netherlands) suggested that the words "through the Economic and Social Council" should be inserted after the word "session" in paragraph 4.

42. Mr. ARLÍA (Argentina) said that he was quite prepared to accept that amendment, since such a procedure was implied.

43. He recalled that the draft resolution had been drawn up on the basis of intensive consultations with many delegations, including the United States delegation. As a result of those consultations, it had been possible to include all the amendments in the revised text of the draft resolution, except for the United States amendment, as no valid argument had been put forward to justify a change in the existing text. It was perfectly normal for the General Assembly to address itself to the Governing Council of UNDP, since it was for the latter to contact the Administrator if it so desired.

44. The amendment submitted by the United States delegation would not greatly affect the way in which the studies provided for in paragraph 1, subparagraphs (a) and (b), were carried out; it was quite obvious that the Administrator of UNDP could not undertake those studies by himself.

45. There was therefore no reason to accept the changes suggested by the representative of the United States.

46. Mr. ZAGORIN (United States of America) expressed regret that he had not been consulted when negotiations had been held on the draft resolution. In his view, it was better to give a mandate directly to the Administrator of UNDP so that he would have to consult Member States. The aim of his delegation's amendment was not to impair the quality of the proposed studies, but rather to strengthen the draft resolution. In the interests of effectiveness, it was essential to bypass the proposed working group.

47. Mr. ARLÍA (Argentina) said that the sponsors had indeed consulted the United States delegation; they could not accept the United States amendment, because they considered that there was no difference of substance between the two texts.

48. Mr. CARANICAS (Greece) said that, as a general rule, he was opposed to the establishment of new bodies; furthermore, he considered that paragraph 1 of the revised text was tantamount to a motion of censure against the Administrator of UNDP. His delegation would therefore vote in favour of the United States amendment.

The United States amendment to operative paragraph 1 was rejected by 66 votes to 19, with 26 abstentions.

Draft resolution A/C.2/L.1263/Rev.1 and Corr.1, as orally amended, was adopted by 104 votes to none, with 11 abstentions.

49. Mr. DE AZEVEDO BRITO (Brazil) said that he had voted in favour of the draft resolution; the content of the text was positive and the sponsors had accepted a number of suggestions put forward by his delegation. However, it should be understood that operative paragraph 1 did not affect the competence of UNCTAD.

50. The CHAIRMAN suggested that the Committee adopt draft resolution A/C.2/L.1264 without proceeding to a vote.

Draft resolution A/C.2/L.1264 was adopted without objection.

51. The CHAIRMAN suggested that the Committee adopt the following draft resolution:

"The General Assembly

"Takes note with appreciation of the reports of the Governing Council of the United Nations Development Programme on its thirteenth (E/5092) and fourteenth (E/5185/Rev.1) sessions."

The draft resolution was adopted without objection.

AGENDA ITEM 12

Report of the Economic and Social Council [chapters III to XI, XII (sections A to G) and XVII to XIX] (continued)* (A/8703)

* Resumed from the 1502nd meeting.

THE PROBLEM OF MASS POVERTY AND UNEMPLOYMENT IN DEVELOPING COUNTRIES (A/C.2/L.1276/Rev.1)

52. Mr. VERCELES (Philippines) introduced revised draft resolution A/C.2/L.1276/Rev.1 on behalf of the delegations of Australia, Bolivia, Colombia, Iran, Morocco and the Philippines. He announced the changes that had been made in the original draft.

53. He reminded the Committee that the draft resolution was in response to resolution 1727 (LIII) adopted unanimously by the Economic and Social Council, which concerned the elimination of mass poverty and unemployment through the adoption of national development strategies and the International Development Strategy. He also recalled the statements on the problem of poverty made by the President of IBRD to the Board of Governors, on 25 September 1972, and to the Economic and Social Council, on 18 October 1972 (1841st meeting), as well as those made by the Administrator of UNDP and the Executive Director of UNICEF to the Second Committee (1478th meeting).

56. He then reviewed the preamble of the draft resolution, stressing the importance of the report of the Committee for Development Planning,¹ to which reference was made in the fourth preambular paragraph. He also briefly reviewed the contents of the operative part, noting that paragraph 2 did not impair the sovereignty of States and was merely an appeal for a better income distribution and the creation of new employment opportunities.

55. The sponsors of the draft resolution did not think that it could resolve all the problems of poverty, but they felt that its adoption might help to alleviate the sufferings of the developing countries and hoped the draft would receive the widest possible support in the Second Committee.

56. Mr. HJELDE (Norway) said he supported the draft resolution introduced by the Philippine representative, in view of the need to combat poverty and unemployment and to establish an equitable distribution of income among the developing countries. He added that adoption of the draft resolution did not impair the implementation of UNCTAD resolution 62 (III) on special measures on behalf of the least developed of the developing countries. Lastly, he was especially pleased with operative paragraph 5.

DECLARATION BY THE UNITED NATIONS ON PROMOTION OF THE DEVELOPMENT OF EQUITABLE CO-OPERATION IN ECONOMIC, TRADE, SCIENTIFIC AND TECHNOLOGICAL MATTERS (continued)* (A/C.2/L.1253)

57. Mr. PATAKI (Hungary) recalled that, during the general debate, many delegations had emphasized the need to strengthen the economic, trade, technological

and scientific ties between States, in the interests of all. The current conditions of international relations permitted the hope that it might be possible to promote the development of equitable co-operation in the economic, trade, technological and scientific fields, despite the obstacles that still stood in the way of the establishment of such co-operation. Delegations had agreed that any improvement in international relations could be achieved only through concerted action by the entire international community. It was in that spirit that the sponsors had presented the draft declaration contained in document A/C.2/L.1253, which was aimed at promoting the interests of all States without any distinction. The objective was to build a better world in which economic, social and scientific progress was the privilege of all. Moreover, international co-operation should be equitable and mutually advantageous and should develop between all States, irrespective of their social system or level of development; it should be established on the basis of respect for independence and national sovereignty and non-interference in internal affairs. If those principles were applied, it would be possible to achieve a new and more equitable division of labour.

58. The draft declaration also recognized the role of regional and subregional co-operation organizations and laid down the principles on which those organizations should be founded.

59. His delegation was convinced that the objectives and principles set out in the draft declaration would be very useful for all countries and that the General Assembly should adopt it so as to promote the establishment of just and equitable international co-operation.

60. Mrs. COLMANT (Honduras) suggested that in view of the importance of the ideas contained in the draft declaration, the text should be referred to the Working Group established in pursuance of UNCTAD resolution 45 (III) with the task of drafting a charter of the economic rights and duties of States. The draft declaration would be very useful for the work of the Group.

61. Mr. CZARKOWSKI (Poland) said that his delegation attached great importance to the normalization of international economic relations. There was no doubt that the aim of the international community must be the economic development of all countries while taking particular account of the legitimate interests of developing countries. Any solution not based on a global approach, even if it were adopted by the majority, would, in the final analysis, turn out to be of little practical value.

62. The draft resolution under discussion was based on the principle of non-discrimination in all fields of international economic relations. If, sometimes, there were exceptions to that rule, they had to be introduced solely with a view to facilitating the accelerated economic growth of the developing countries. The sponsors also insisted that co-operation be equitable and mutually advantageous to all States, regardless

* Resumed from the 1497th meeting.

¹ Official Records of the Economic and Social Council, Fifty-third Session, Supplement No. 7.

of their social system or level of development. That did not mean, however, that the right to non-reciprocity was not recognized. On the contrary, all necessary measures should be taken to assist the developing countries to develop their economies so that they might be competitive on international markets. The notion of equality had, therefore, a legal character and did not imply economic equality. It was also necessary to reaffirm the principles of respect for independence, international security and non-interference in internal affairs. Any exploitation should be condemned and forbidden.

63. There was no doubt that the principles set out in the draft declaration would contribute to more prompt and efficient implementation of the tasks and goals of the Second United Nations Development Decade. The observance of those principles would also contribute to the improvement of political relations between States and would strengthen mutual trust, peace and international security.

64. Mr. VAN GORKOM (Netherlands) said that every initiative to strengthen international and regional co-operation was welcome, in principle, but must be carefully studied against the background of existing multilateral agreements, declarations and other instruments as well as other initiatives, such as the proposal of the President of Mexico at the third session of UNCTAD to draw up a charter of economic rights and duties of States. His delegation agreed with the broad purposes of the draft resolution, and in particular with the stress on regional trade and economic organizations in the seventh preambular paragraph and in section C, paragraph 1. Indeed, over the last few years there had been the emergence of new structures and new forms of regional and subregional economic co-operation in all parts of the world. EEC, one of the oldest regional organizations, was proud of the results it had obtained in the field of co-operation between its member States as well as world-wide co-operation and international trade. His delegation was equally satisfied with the paragraphs on international co-operation in the fields of environment, science and technology.

65. On the other hand, certain omissions and ambiguities made it difficult to accept the declaration as a whole without further study of its scope and precise aims. First of all, no reference was made to United Nations declarations or to principles of international co-operation which had been adopted in recent years and which defined, much more precisely and cogently than did the draft resolution, the current and future requirements of international co-operation. Nor was there any mention of GATT; yet it was the rules of that organization which, to a large extent, governed regional economic co-operation, the formation of customs unions and free-trade areas. The draft declaration placed great stress on the principles of non-discrimination and most-favoured-nation treatment, but it seemed to overlook that within GATT and UNCTAD important exceptions to those principles had been formulated and accepted, mainly for the benefit of the developing countries. The generalized system

of preferences was in fact based on the principle of non-reciprocity in favour of the developing countries. Furthermore, his delegation could not accept the sixth preambular paragraph concerning the right of every State to take any measures of a social and economic nature. And there were certain other paragraphs which would require clarification and modification in order to become acceptable. For a declaration of that type to be of any value, it had to be arrived at by consensus. There was too little time, at that stage of the work, for all delegations to reach an agreement on the text of the draft declaration. Consequently, his delegation supported the suggestion of the Honduran delegation.

Mr. Pataki (Hungary), Vice-Chairman, took the Chair.

66. Mr. LACKO (Czechoslovakia) recommended adoption of the draft resolution of which his delegation was one of the sponsors. Although the representative of the USSR had explained the general characteristics of the declaration at the 1497th meeting, his delegation would like to emphasize certain important points.

67. First of all, it was worth reiterating some old truths, such as the value of the principles of equality, non-discrimination, non-reciprocity, etc. It was difficult to imagine co-operation between States which was not based on those principles.

68. He recalled paragraph 13 of the Joint Statement by the Socialist Countries on the Second Development Decade and Social Progress, contained in the letter of 21 September 1970 from those States to the Secretary-General;² that statement noted that the socialist countries intended to continue to assist young independent States to overcome the economic consequences of colonialism and to speed up their rates of development. Czechoslovakia and the other socialist countries would continue that assistance, as indicated in section A, paragraph 4 of the draft resolution.

69. The preamble of the draft resolution stressed the need to encourage international economic, trade and technological co-operation. The accomplishment of that objective was a prerequisite for the normalization of economic relations in the world. His delegation attached special importance to the most-favoured-nation clause, for certain States were refusing to apply that clause to Czechoslovakia, which believed that the time had come to do so.

70. Finally, he felt that the draft under discussion was in harmony with the interests of the United Nations and, in particular, with the objectives of the Decade. It was a timely initiative and it would be regrettable if the question was referred to another body, as suggested by the Honduran delegation. For its part, his delegation hoped that the draft would be adopted unanimously.

71. Mr. AKRAM (Pakistan) said that his delegation was in favour of the principles of the draft declaration

² See *Official Records of the General Assembly, Twenty-fifth Session, Annexes*, agenda item 42, document A/8074.

and would like to see them promptly implemented. However, it would not be honest to refuse to recognize that what was at issue was a complex matter which would have long-term consequences, and therefore the principles in question would need very careful study before agreement could be reached. His delegation was interested in the Honduran suggestion because, without wishing to minimize the importance of the declaration, Pakistan felt that it should constitute an element of the future charter of the economic rights and duties of States.

72. Mr. DE AZEVEDO BRITO (Brazil) said that the draft resolution raised important questions. Unfortunately, at that stage, it was impossible to examine it as required, which was all the more necessary as, by adopting the declaration, Member States would be committing themselves to strict observance of its principles. Given the situation, it was better to opt for the suggestion of the Honduran delegation.

73. Mr. GETMANETS (Ukrainian Soviet Socialist Republic) said that it was difficult to over-estimate the significance of the terms of the declaration. That significance was due to the fact that, on the one hand, the proposal was timely and, on the other, it met the demands of the modern world. To understand those demands, it was sufficient to refer to the statements made in the General Assembly by the representatives of the developing countries; the importance of those statements was incontestable, for their authors were better placed than anyone else to talk about the inequality in economic relations between the poor and rich countries since they were suffering daily from its effects. What was strikingly evident from those statements was the obvious inequality and the absence of the principle of mutual benefit, all the advantages accruing to one party only. That situation was unacceptable and the United Nations had to make a collective effort to correct it. Decisive measures had to be taken to prevent the capitalist monopolies from flourishing and the continued enrichment of some at the expense of others. That objective was in the interests of the overwhelming majority of countries.

74. The existing situation was the result of the violation, by one group of countries, of the principle of equality, which should be the corner-stone of all relations between States. On the other hand, the socialist countries offered an example of respect for that principle and for the principle of mutual benefit, thus assuring the stability and harmonious growth of the economy of all concerned. His delegation was convinced that the implementation of the draft declaration submitted by the socialist countries would play a positive role in the solution of many problems and would have a favourable influence on the economic progress of all countries, especially the developing countries.

75. Mr. GALLARDO MORENO (Mexico) said that his delegation supported the suggestion by Honduras. On the whole, his opinion was in line with that expressed by the representative of the Netherlands; he hoped that the sponsors of the draft would find it all the easier to accept the course suggested as they were

well represented in the Working Group established by UNCTAD resolution 45 (III).

76. Mr. WILDER (Canada) also supported the suggestion by Honduras. Such a solution would avoid duplication of work, for the draft posed many questions of principle which would be studied, along with others, by the Working Group responsible for drawing up the charter of the economic rights and duties of States.

77. Mr. CARANICAS (Greece) said that, after examining the draft declaration, he considered it unwise to try to reach a consensus by the end of the session. The draft contained numerous ideas borrowed from very many sources—the International Development Strategy (General Assembly resolution 2626 (XXV)), the Charter of Algiers,³ the Declaration and Principles of the Action Programme of Lima,⁴ etc.—and it posed a great number of questions of principle that should be studied.

78. For its part, the Greek delegation would have some reservations to make. For example, section A made no mention of monetary co-operation which, however, was an important aspect of international economic relations, as had been brought out clearly during the last international crisis. Nor did his delegation approve of the passage relating to bilateral agreements in section B, paragraph 2. On the contrary, the countries members of IMF considered that bilateral agreements did not promote international trade and led to an imbalance in the allocation of resources. In view of those difficulties, his delegation agreed with the Honduran delegation that it would be preferable to refer the draft declaration to the Working Group responsible for drawing up the charter of the economic rights and duties of States for study.

79. Mr. PANGGABEAN (Indonesia) expressed appreciation at the efforts of the socialist countries to improve co-operation between countries, but did not think the principles put forward were new. For example, the functioning of GATT was based on the principles contained in section B, paragraph 2.

80. In their relations with the developed countries, the developing countries wished to benefit from preferential treatment and to see the principle of non-reciprocity applied, for equality in terms of equal status entailed inequality of results. That was why his country preferred the principle of preferential treatment to that of equality. Furthermore, the draft declaration made no mention of financial aid which, however, was essential for development. The other principles contained in the draft declaration had already been expressed by the developing countries in UNCTAD. He therefore thought that the draft declaration should be referred to the Working Group established by UNCTAD resolution 45 (III), for which it could serve as a reference document for drafting the charter of the economic rights and duties of States.

³ *Proceedings of the United Nations Conference on Trade and Development, Second Session, vol. I and Corr.1 and 3 and Add.1 and 2, Report and Annexes* (United Nations publication, Sales No. E.68.II.D.14), p. 431.

⁴ See A/C.2/270 and Corr.1.

81. Mr. AL JABER (Jordan) said that he was in favour of the strengthening of trade relations between the developing and developed countries and recalled that his country had approved UNCTAD resolution 53 (III) relating to trade relations between countries with different economic and social systems. His delegation had some difficulty, however, with the draft resolution and particularly with section B, paragraph 2, which seemed to be in contradiction with the principles of the declaration itself. Furthermore, section C, paragraph 1, was not very clear and was open to misinterpretation. That was why his delegation supported the Honduran suggestion and considered that the draft declaration would be a very useful document for the Working Group.

82. Mr. CHANG HSIEN-WU (China) said that he wished first of all to announce that his delegation supported the Honduran proposal to transmit the draft declaration to the Working Group for consideration. Furthermore, his delegation would like the views expressed on the subject in the Committee to be communicated to the Working Group as well.

83. The Chinese delegation could not approve the draft declaration under consideration for several reasons. As was known, the aggression, domination and plunder practised by imperialism, colonialism, neo-colonialism and particularly by the super-Powers were the root cause which prevented the establishment of international relations based on equality and co-operation. Yet, that basic fact was not reflected in the draft declaration. Furthermore, it was the universal demand of the developing countries that international co-operation should enable them to become self-reliant, that aid should be provided without any conditions or privileges, that loans granted to developing countries should be interest-free or carry a low rate of interest, that provision should be made for the recipient countries to postpone repayment if they found themselves in difficulty. Those legitimate demands were not reflected in the draft declaration either. Lastly, a certain super-Power was currently trying, under the pretext of "aid" and "international division of labour", to reduce the medium and small countries to a situation of dependence and to subject them to political control and economic plunder. The "equitable international co-operation" advertised by that super-Power was sheer deceptive babble.

84. Experience had taught the countries of the third world that it was necessary to "hear a person's words and judge him by his deeds". The fine words of certain people could not cover up their base intentions. In drafting the charter of the economic rights and duties of States, the Working Group should take full account of that aspect of international relations.

85. Mr. BREITENSTEIN (Finland) said that the draft declaration was of some interest but that in order to be acceptable, some parts of the text should be amended. The question deserved careful study either in the Economic and Social Council or in the Working Group, and his delegation looked forward to the reaction of the sponsors of the draft to the Honduran proposal.

86. Mr. McCARTHY (United Kingdom) said that any text encompassing a field as broad as that covered by draft resolution A/C.2/L.1253 deserved serious examination. The starting-point for consideration should be the current international background. In the last quarter of a century, the world had seen an unprecedented international effort in the economic field. With time, the new system of international economic co-operation had developed strains and stresses. A typical example was the current state of the international monetary system. It was encouraging, however, that the participants in the IMF system, developed and developing countries alike, had decided to reshape that system. Throughout the post-war years, a significant gap had been the absence of a major grouping of European countries from such institutions as IBRD and IMF. During the general debate in the Committee at the twenty-sixth session, his delegation had expressed the hope that all countries would join in the work of overhauling the international monetary system and it had pointed out that membership of IMF was open to all. The Eastern European delegations had spoken at that time of their desire to increase trade both with the developing countries and with the developed countries of the West. His delegation had pointed out, however, that an important barrier to further progress, especially progress towards multilateral trade, remained, namely, the lack of a convertible Eastern European currency. Accordingly, his delegation had been encouraged to hear the representative of the Soviet Union stress the need for equitable co-operation in economic and other related matters.

87. Turning to the draft resolution, of which a large number of points seemed to require very careful study, he said that in his view it would not be fair to transmit it to the Working Group responsible for drawing up the charter of the economic rights and duties of States, in view of the many modifications that were necessary. For example, in the third preambular paragraph, it was important to specify by what means the pooling of efforts and knowledge would be achieved, in view of the fact that currently almost all States regarded military, scientific and technological knowledge as a State secret. It was quite clear that certain countries would be reluctant to release scientific knowledge and, furthermore, there was the question of patent rights.

88. The sixth preambular paragraph raised a question of interpretation: was it to be understood that every State had the right to take any measure with respect to foreign property? That would seriously endanger foreign investments and foreign aid.

89. The wording of the seventh preambular paragraph also presented difficulties for his delegation, which suggested that it should be replaced by the following text:

"Noting with regret that some obstacles and elements of discrimination remain in world trade and economic relations which hinder mutually advantageous international co-operation, hamper the economic growth of some developing countries, and result in widening the gap in the levels of development between those and other countries."

That wording would apply to all without, however, pointing at any particular regional arrangements.

90. With regard to section A, his delegation wondered about the meaning of such phrases as "international division of labour" and "new, equitable division of labour". Paragraphs 3 and 4 of that section required considerable clarification. Furthermore, his delegation could not accept the wording of section B, paragraph 2, which stressed the need to apply the most-favoured-nation principle.

91. Lastly, his delegation objected to section C, paragraph 3, owing to the word "equality". If participation in regional and subregional trade and economic organizations was to be based on that principle, the developing countries would lose the non-reciprocal tariff advantages which they now enjoyed under GATT arrangements. His delegation would naturally welcome the idea that any new arrangements should respect international commitments already undertaken by individual countries—except of course where those who had undertaken such commitments agreed to change them—provided that the principles of mutual advantage and respect for national sovereignty were still observed.

92. In conclusion, he said that he did not think it feasible to rush consideration of the draft resolution.

Mr. Rankin (Canada) resumed the Chair.

93. Mr. ROUGÉ (France), after noting that the progress made on international co-operation in the economic field had been manifested in the creation of many institutions and in some very important achievements, said that his delegation had looked forward with great interest to the text which the USSR delegation had indicated would be submitted.

94. Unfortunately, the French delegation was disappointed to note that the text mentioned some rather old principles—such as most-favoured-nation treatment and the five principles of peaceful co-existence—while disregarding the developments which had taken place more recently. Although the most-favoured-nation clause had been a very useful instrument 100 years ago and although it continued to be one only because of the rules drawn up under GATT, it was not a sure-fire way of guaranteeing equal rights; in fact, the most recent decisions of UNCTAD were precisely to the contrary. As to the admittedly basic historic declaration of Chou En-lai and Nehru at Bandung, reference to its principles would have been justified in the years immediately following the war but not 23 years later.

95. In his delegation's view, the sponsors of the draft resolution should redraft it in the light of the observations made during the discussion.

96. Mr. HJELDE (Norway) thought that it would be difficult, owing to the very broad scope of the draft declaration, to comment on the substance of the questions it dealt with. In any case, in view of the important

omissions pointed out, in particular by the Netherlands delegation, he would be in favour of referring it, accompanied by the observations made at the current meeting, to the Working Group established by UNCTAD resolution 45 (III).

97. Mr. GOBBA (Egypt) said that, in general, his delegation supported the basic concepts and principles set forth in the draft declaration. Egypt subscribed to the objectives of co-operation between States, which should be to improve the living conditions of peoples, guarantee full employment and social progress, consolidate economic independence and strengthen national sovereignty over natural resources. It was also in favour of the principle of co-operation between States with a view to establishing and expanding firm ties between them, thus making it possible to use the advantages of the international division of labour.

98. His delegation wished to stress the importance of the principles and concepts which were contained in the draft declaration and which had already contributed to the development of co-operation, and it was therefore in favour of the proposal made by the delegation of Honduras and other delegations to refer the draft to the Working Group.

99. Mr. HAMID (Sudan) said that he considered the intent of the draft declaration excellent and praiseworthy, and that it contained principles which Sudan unreservedly supported. However, it was not possible at that stage to engage in a thorough study of the text and, what was more, such a study might infringe on the terms of reference of the Working Group. Rather than vote too hastily on a text of such wide implications, his delegation agreed that it would be better if the Committee decided to refer it to the Working Group for consideration.

100. Mr. TODOROV (Bulgaria) said that as a sponsor of the draft resolution, his delegation supported the statement made by the representative of the Soviet Union in introducing the draft.

101. The Bulgarian delegation believed that the document could be very helpful to States. In the charter to be drafted, the economic rights and duties of States would be derived from principles which were more general than those set out in the text under consideration.

102. Again, he deemed it essential that the General Assembly should proclaim the fundamental objectives and principles of co-operation between States before the negotiations on customs barriers and monetary questions to be held in 1973 under GATT and IMF, so that they might serve as a basis for those negotiations.

103. With regard to the substance of the question, his delegation felt that it would be useful to prepare a document defining the tasks and objectives of co-operation between States in the economic, scientific and social fields; in it the General Assembly should confirm the right of every State to choose the means

that would enable it to strengthen its economic independence. It should also cover all aspects of economic, scientific and social co-operation among all States. Obviously, a declaration on the means of promoting the development of equitable co-operation would be of considerable importance. What was more, there was no reason why the United Nations should not give particular attention to the developing countries.

104. As to the suggestion that the draft declaration should be referred to the Working Group, he pointed out that the principles set forth in the text under consideration could not be a substitute for a charter of the economic rights and duties of the States. The multidisciplinary character of the questions raised in the draft resolution required a decision by the General Assembly and not by a specialized body.

105. In reply to the objections expressed by several representatives, he pointed out that document A/C.2/L.1253 had been distributed on 7 November and, what was more, many delegations had had a preliminary version; the delegations concerned had therefore had an opportunity to make their observations and suggestions.

106. Mr. CAVAGLIERI (Italy) said that his country had always favoured the liberalization of trade and it subscribed to the principles of the draft declaration which had already appeared in various documents, including the International Development Strategy. As the representative of France had indicated, such principles as most-favoured-nation treatment were very old and almost obsolete. The forthcoming negotiations which the representative of Bulgaria had cited as a justification for adopting the draft resolution would certainly be based on more radical and up-to-date principles.

107. Mr. AL-EBRAHIM (Kuwait) endorsed the statements of the representatives of Sudan and Egypt and unreservedly approved the intent of the sponsors of

the draft resolution. Nevertheless, he asked them to agree to its referral to the Working Group.

108. Mr. ZAGORIN (United States of America) said that the draft resolution mentioned documents which the United States delegation did not entirely support.

109. If the Second Committee decided to refer the draft declaration to the Working Group, the United States delegation would oppose such a decision.

110. Mr. SKOGLUND (Sweden) and Mr. METWALLI (Syrian Arab Republic) felt that the draft resolution should be transmitted to the Working Group, which would be able to study it thoroughly.

111. The CHAIRMAN suggested that further discussion of draft resolution A/C.2/L.1253 be postponed to a later meeting.

It was so agreed.

DRAFT REPORT ON THE QUESTION OF THE ORGANIZATION OF THE SECOND COMMITTEE'S WORK AT FUTURE SESSIONS (concluded)* (A/C.2/L.1258).

112. The CHAIRMAN suggested replacing the word "some" by the word "several" at the beginning of the second sentence of paragraph 5 in the section of the draft report (A/C.2/L.1258). If he heard no objection, he would take it that the Committee agreed to the change.

It was so agreed.

The section of the draft report, as orally revised, was approved.

The meeting rose at 7.05 p.m.

*Resumed from the 1497th meeting.