



SUMMARY RECORD OF THE 17th MEETING

Chairman: Mr. OUDOVENKO (Ukrainian Soviet Socialist Republic)

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AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)

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The meeting was called to order at 3.05 p.m.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued) (A/42/3, 137, 138, 178, 227, 232, 272, 288, 289 and Add.1 and 2, 302, 310, 314, 335, 337, 341, 354, 359, 381, 386, 402, 559; A/C.2/42/4; A/C.2/42/L.4)

1. Mr. SAAB (Food and Agriculture Organization of the United Nations) reviewed the latest developments in the locust and grasshopper situation in the world. For the second consecutive year, there had been extensive breeding by desert locusts in Chad, the Sudan and northern Ethiopia. Aircraft and ground teams had been deployed to combat all the major infestations. Conditions were still favourable for breeding in parts of Chad, Niger and Mali, and laying had already been reported from Chad. There had been no recent reports of swarms, but considerable numbers of adult locusts might escape control. Some of those could cross the Sahara and reach Morocco, but others might move west into Niger and Mali.

2. The situation in northern Ethiopia continued to give rise to concern, as non-governmental organizations were reporting gregarious infestations. The Horn of Africa and the Red Sea basin could be threatened. Breeding had also occurred in Democratic Yemen and was being controlled by ground teams. There had been limited aerial control of red locusts in Zambia and of African migratory locusts in Chad.

3. Grasshopper infestations in the Sahel had been considerably smaller than in 1986 and less severe than forecast, except in Chad owing to a protracted break in the rains in June and July. The most recent reports, however, indicated that as a result of good rains in late September and early October there had been widespread hatching, particularly in Niger, where some 400,000 hectares required treatment.

4. As part of its locust-control campaign, FAO was developing one of the world's most advanced environmental monitoring systems to give early warning of locust plagues, crop failure and drought in Africa. Development of a computer-based system, known as ARTEMIS, was one of the steps taken in 1986 to improve the FAO global information and early warning system for food and agriculture. There was a five-class ranking of potential desert locust habitats in Africa, the Near East and South-West Asia. By comparing satellite information with data bases, the system's computer could produce maps pinpointing abnormal rainfall patterns and suspected locust breeding areas.

5. He informed members of the Committee who were interested in more detailed information on the locust situation that an FAO document on that subject was now available.

6. Mr. LE HUU HUNG (Viet Nam) expressed the hope that agreement would be reached on a number of issues of great importance which had been dealt with in resolutions of the Economic and Social Council, but which continued to be controversial, such as the net transfer of resources from developing to developed countries, food problems, Israeli economic practices in the Palestinian and other occupied Arab territories, and assistance to the Palestinian people.

(Mr. Le Huu Hung, Viet Nam)

7. On the question of the role of the public sector in the economic development of developing countries, he stressed that, given the marked disparities and inequalities inherited from colonialism which characterized international economic relations and as a result of which the economic activities of the developing countries were greatly influenced by the economic policies and activities of developed market-economy countries, the public sector had a vital role to play as a countervailing force. The public sector could help developing countries in their development planning, in setting social and economic priorities, and in channelling the activities of transnational corporations towards areas of mutual interest in accordance with national development priorities. For the developing countries, the public sector was an essential means for controlling their development process and protecting themselves from external factors that were beyond their control. Therefore, instead of limiting the role of the public sector, as the developed countries were attempting to do through the adjustment measures imposed on the developing countries, ways should be found to enhance the public sector.

8. The very comprehensive report of the Secretary-General on the concept of international economic security (A/42/314) provided an excellent basis for further elaboration of the concept. That task would be facilitated by the current economic and political climate. In the political sphere, there had been a revival of détente with the United States-Soviet disarmament measures and the recent International Conference on the Relationship between Disarmament and Development. In the economic sphere, the Final Act of the seventh session of UNCTAD had identified the factors which undermined sustained and predictable economic growth world-wide. The Secretary-General's report had the virtue of having highlighted the various obstacles and constraints which affected international economic relations.

9. A constructive discussion towards the establishment of an international economic system encompassing political, economic, environmental and humanitarian aspects would ensure sustainable, predictable and harmonious economic development of all countries.

10. The net transfer of resources from developing to developed countries - an unprecedented phenomenon which showed no signs of abating - directly resulted from external factors which for the most part could be controlled by the developed market-economy countries. There was therefore a need for collective action to deal with the problem. A solution depended to a great extent on the developed countries, which must go beyond declarations of good intentions and expressions of sympathy, and take action. A first step would be to adopt by consensus the resolution to be submitted under the item.

11. Lastly, his delegation commended the contributions which the United Nations system was making in mobilizing and distributing assistance to the Palestinian people in especially difficult circumstances. Despite the level of that assistance, it had still not enabled the Palestinian people to establish an independent economy and could not put an end to Israeli occupation. It must therefore be accompanied by efforts to bring about a political settlement in the Middle East in accordance with General Assembly resolutions 3236 (XXIX) and in ES-7/2 and in the framework of an international conference on the Middle East.

12. Mrs. MORENO (Mexico) said that the emphasis which was being placed on the effectiveness of the United Nations might cause people to lose sight of the long-term objectives of international co-operation which had prompted the founding of the Organization. If the United Nations was to be truly effective, its resolutions had to be implemented and the restructuring process that was under way must ensure that the necessary means were available to meet the challenges of the twenty-first century.

13. In an interdependent world, problems which emerged in one market could have an impact on and be magnified in other markets, thereby hampering the establishment of a more just and equitable economic order. The international community must therefore face up to its responsibilities and guarantee the growth of the developing countries in the common interest.

14. The report of the Economic and Social Council devoted much room to a problem which was particularly important to the developing countries, net transfers of resources from them to the developed countries. Such transfers inevitably meant falling consumption or investments, and thus checked economic growth. According to the Secretary-General's report on the subject (A/42/272), the main reasons for the transfer were low commodity prices, protectionist barriers and rising interest rates.

15. On the question of food problems, she pointed out that the Economic and Social Council had hailed the World Food Council's programme of work and endorsed the Beijing Declaration reaffirming the commitment by the world community to eradicate hunger and malnutrition. Improved living standards should be the first objective of economic growth, but efforts by the developing countries in that area were hampered by a decline in their terms of trade, limited access to markets, increasing protectionism and falling commodity prices.

16. In conclusion, she said that discussion of the items still outstanding should be governed by the principles stated in resolutions 3201 (S-VI), 3202 (S-VI) and 3281 (XXXI), and contribute to the introduction of a new international economic order.

17. Mr. WANG Baoliu (China) said it was regrettable that, although some economic matters were now discussed only in alternate years, some important items had not been adequately considered during the summer session of the Economic and Social Council, and shortage of time had prevented negotiation on some resolutions from producing consensus.

18. The thirteenth ministerial session of the World Food Council, held in Beijing from 8 to 11 June 1987, had produced a number of useful conclusions and recommendations adopted by consensus, notably that the operation of the international economic and trading system must be improved and that various constraints and distortions must be eliminated urgently in order to halt the continuing decline in trade in agricultural products. There could be little doubt

(Mr. Wang Baoliu, China)

that the discussion during the session would help the international community to understand the urgent problems of the day, and help to increase food production and international co-operation in the fields of food and agriculture.

19. Regarding the in-depth study of the United Nations intergovernmental structure and functions in the economic and social fields, he remarked that there was a substantial convergence of views on a number of questions, but that the Special Commission had barely begun and an enormous amount of work still had to be done to improve the efficiency of the subsidiary bodies of the Economic and Social Council and make the United Nations more able to face present and future challenges. His delegation was willing to co-operate unreservedly with other delegations to that end.

20. Mr. SOKOLENKO (Ukrainian Soviet Socialist Republic) emphasized the importance, in the present difficult circumstances, of expanding the role of the Economic and Social Council in co-operation and co-ordination against the background of a reorganization of international relations on a just, democratic basis. His delegation had spoken on the subject during the sessions of the Council's Special Commission. Over the past year the Council had done useful work and adopted a whole series of constructive resolutions.

21. The role of the public sector in promoting economic development in developing countries had been a subject of interest to his country for many years. Since the first resolution on the subject - which his delegation had sponsored - had been passed by the Second Committee, 10 years before, many United Nations documents had stressed the value of the public sector and its beneficial influence on other sectors of economic activity in developing countries. Of course, the developing countries faced obstacles of all kinds, political as well as economic, in moving from the enunciation to the application of a principle. The report of the Secretary-General showed that, since 1983, major public sector investment programmes in developing countries, infrastructure projects in particular, had been curtailed, deferred, or abandoned. According to the report, it was "ambitious public investment programmes" that had suffered. It could, perhaps, have been a little more far-sighted, recognizing such "ambitious" programmes as attempts by the developing countries to escape from the position they had been in not just since 1983, but much longer than that, for want of truly equitable and mutually beneficial economic and trading relations.

22. The report would also have been the better for more detail on how the public sector enabled developing countries to retain control of their natural resources, mobilize domestic resources, speed industrialization, create jobs and deal with a variety of social problems.

23. The net transfer of resources from developing to capitalist countries was a new and undesirable phenomenon which threatened the entire third-world development process, in the poorest countries especially. The transfer took the form of interest repayments, but also the repatriation by transnational corporations of profits which in recent years had greatly exceeded investments. The problem could

(Mr. Sokolenko, Ukrainian SSR)

not be remedied, nor could the external debt crisis be resolved, without responsible efforts by all States.

24. The notion of international economic security also implied collective efforts to find ways of normalizing and improving international economic relations in the interests of all. His delegation believed that the Secretary-General's report on the question (A/42/314) was an important step in the elaboration of the idea which, once fleshed out should make the establishment of a global system of international security a possibility.

25. For all the diversity of views on the state of the world economy, all or almost all States were agreed on one point: growing concern at the future of international economic relations. His delegation was ready to co-operate with all others, and had no doubt that, if all showed good will and sincere determination, the desired results would be achieved to the benefit of all States.

26. Mr. DOJGOTOV (Mongolia) said he was pleased that the debate in the Economic and Social Council had recently taken a fresh turn and that a new mode of thinking was making headway. The trend was towards co-operation and continuing dialogue on urgent problems arising in world economic relations, as could be seen from the outcome of the Council's second regular session of 1987, where a number of current problems affecting all States had been discussed in a thoughtful and frank atmosphere.

27. During that session, the Council had adopted a series of resolutions touching on fundamental problems of international co-operation and drawing the attention of the international community to crucial aspects of the world economy. In his delegation's eyes, the decision on the notion of international economic security was of exceptional importance. Discussion of the Secretary-General's extremely interesting report should encourage universal dialogue on the subject within the United Nations.

28. Mongolia also supported the Council's resolutions on such matters as strengthening the effectiveness of scientific and technical co-operation, the role of the public sector and the development of human resources. The resolution on the net transfer of resources from developing to developed countries was also very important: it was essential to reverse that trend which prevented many developing countries from reviving their growth and solving numerous social and economic problems.

29. The Council had also taken decisions on important matters such as implementation of the declaration on decolonization, permanent sovereignty over national resources in the occupied Palestinian and other Arab territories, the right to shelter, and so forth.

30. His delegation once again regretted the unwarranted slowness in preparing the code of conduct for transnational corporations and welcomed the Council's decision to convene the Commission on Transnational Corporations without delay.

(Mr. Dorjgotov, Mongolia)

31. His delegation welcomed the interesting proposals for increasing the Council's effectiveness and was following closely the work of the Council's Special Committee.

32. The United Nations regional economic commissions had a vital role to play in the Council's social and economic activities. The Economic and Social Commission for Asia and the Pacific (ESCAP), which had celebrated its fortieth anniversary in May 1987, had an important place in the economic life of the region and was still the only body co-ordinating the economic activities of the countries of the region where vast material and human resources were concentrated.

33. In the past year Mongolia had developed contacts with numerous countries in the region and had maintained political relations at a higher level. As a member of ESCAP, Mongolia took an active part in the Commission's work which could make a valuable contribution to the development of mutually beneficial co-operation among all the countries of the region. That, as pointed out by the Minister for Foreign Affairs of Mongolia in the debate in the General Assembly, was extremely important in creating a universal system of international security.

34. Mr. MLADENOVIC (Yugoslavia) said that, if the Council had failed to respond adequately to the pressing economic, social and humanitarian problems, its members were to blame because they had not been able to muster the necessary political will. For the Council and the United Nations to fulfil their roles, it was necessary to create an environment which enabled them to play a greater part in the solution of international economic problems, and Yugoslavia would therefore be strongly opposed to a reorganization of the structure and functions of the United Nations international machinery that limited its role in the area of economic and social co-operation. Restructuring was a politically sensitive issue which called for exceptional caution and perseverance.

35. The net transfer of resources from developing to developed countries had created a dangerous situation which was threatening the economic, social and political stability of the developing countries. It was discouraging that there had been no unanimity of views on the issue at the Council's summer session. As stated in the Secretary-General's report, there was a need to introduce novel elements into the current debt strategy so as to revive growth in developing countries, and the deliberations of the Council and the General Assembly could help to devise a multilateral approach.

36. The food problem in many developing countries was primarily a problem of development. Unfortunately, the priority that the countries concerned were giving to combating hunger and malnutrition was not enough in itself, because they lacked the necessary resources. Urgent and determined action was therefore required to reverse the declining trend in multilateral assistance to agriculture.

37. World food production, especially in developing countries, was suffering from the developed countries' heavy subsidizing of producers and the rise in protectionism. Action was needed, in the framework of GATT, to improve market

(Mr. Mladenovic, Yugoslavia)

access so as to redress the serious imbalances in world agricultural trade. Yugoslavia supported the World Food Programme pledging target for the period 1989-1990 and welcomed the conclusions and recommendations and the Declaration adopted at the thirteenth session of the World Food Council. It also stressed the special importance of the resolutions adopted by the Economic and Social Council on the Industrial Development Decade for Africa and the International year for the mobilization of financial and technological resources to increase food and agricultural production in Africa.

38. Miss GLYNN (Honduras) said that, while malnutrition was increasing by leaps and bounds, some countries were accumulating unprecedented surpluses, which showed that the problem was not really a lack of food but access to food. At first sight it seemed commendable that some countries were encouraging their farmers to increase production, but when that encouragement took the form of subsidies, it resulted in lower prices on the international market, to the detriment of producers in the developing countries - as was the case of milk production.

39. International co-operation and assistance were very useful in combating malnutrition. For example, Honduras received help from the World Food Programme, the European Economic Community and many countries and organizations in meeting the food needs of thousands of refugees from other Central American countries, and was very grateful for it. Generally speaking, the EEC food-aid programmes showed that international co-operation, goodwill and a little imagination could effectively supplement South-South co-operation and help to a large extent in combating hunger and malnutrition. Honduras therefore hoped that the expressions of goodwill at the thirteenth session of the World Food Council would result in action.

40. Mr. BATAINEH (Jordan) said that his country's delegation had already stressed, in the debate in the Economic and Social Council, the special importance that should be given to matters affecting the living conditions of the inhabitants of the occupied Palestinian and other Arab territories and to Israeli repressive practices whose aims went further than those of traditional colonialism.

41. His delegation had taken note with interest and satisfaction of the Secretary-General's report (A/42/341) containing the conclusions and recommendations of the study of the financial sector in the occupied Palestinian territories. It had been prepared by the United Nations Conference on Trade and Development (UNCTAD) in association with the Economic and Social Commission for Western Asia (ESCWA). Jordan noted first of all that the economy of the occupied territories could not sustain the present situation, which was characterized by a net negative transfer of resources for the benefit of Israel. The stifling of the economy of the territories was a constant of the Israeli policy and had two additional objectives. In the first place, the aim was to make the economy of the territories dependent on that of Israel, providing Israel with an outlet for its consumer goods and a pool of cheap labour. The second aim was more serious and more fundamental: it was to drive the Arab people to emigrate because they could not make a living. The constraints on all sectors of the economy, together with the confiscations of land for settlement purposes, were not only economic but also

(Mr. Bataineh, Jordan)

were designed to make life impossible for the Arab inhabitants. A few statistics would throw light on the deteriorating situation in the main economic sectors of the West Bank and the Gaza Strip and on the extent to which the above aims were being achieved.

42. In the agricultural sphere, the area of cultivated land had declined 40 per cent in the West Bank and 32 per cent in the Gaza Strip, as compared with 1967. As a result of land confiscations, the weakness of marketing resources, the competition from Israeli State-subsidized products and the closure of Israeli markets to Arab products, the share of agriculture in the gross national product had fallen from 38 per cent in 1978 to 28 per cent in 1984. The value of agricultural production had risen from \$320 million in 1982 to \$300 million in 1983 and \$250 million in 1984. It was clear from the Statistical Abstract of Israel, 1985 that the agricultural work-force had fallen from 42,500 persons in 1970 to 28,500 persons in 1984, a decline of 33 per cent merely for that period.

43. The continued exploitation of water resources by Israel was aimed at ensuring the maximum supply for that country and to reduce the irrigation possibilities open to the Arabs in order to force them to leave their villages and their regions. Aware that water was the first link which joined the individual to the land and to life itself, the Israeli occupation authorities had sought to regulate and to limit to the maximum the right of the inhabitants to utilize that resource. At the same time they gave a free hand to the Jewish settlers in the use of water. The depth of the wells which the Arabs could dig was limited to 70 metres. As a result, the 314 wells which the Arabs were using in the West Bank produced exactly twice as much water as the 27 wells used by the Jewish settlers. The consumption of water was itself regulated and limited to 900 cubic metres per year per family. Numerous regulations prohibited the Arabs from digging new wells for agricultural purposes. They also made it possible to destroy 140 pumps in the West Bank, for example, and to demolish irrigation canals for the purposes of establishing a new security zone.

44. The share of the industrial sector in the gross domestic product had declined in recent years to 7 per cent (12 per cent for the Gaza Strip). Israeli industrial products which enjoyed subsidies worth up to 60 per cent of the value of similar products on the world market were dumped in the occupied territories. Israeli products sold in the occupied territories represented 10.6 per cent of Israeli exports. Industrial products represented 48 per cent, a total value of 114 million Jordanian dinars or 20 per cent of the national income and 32 per cent of the import expenditures of the West Bank and the Gaza Strip. On the other hand, the industrial products of the occupied territories received no protection at all. They were subject to laws and regulations which restricted marketing; they had taxes imposed on them; capital was lacking for launching new projects; and the rise in interest rates made borrowing difficult.

45. It was clear from a report by the Israeli occupation authorities that 93,000 paid workers from the West Bank more were working in Israel (47,500) than locally (45,500). Those figures clearly showed the breakdown of the local economy

(Mr. Bataineh, Jordan)

which was continually deteriorating. Thus, the ratio of the gross domestic product to the gross national product had fallen from 75 per cent in 1981 to 73 per cent in 1983 and 56 per cent in 1984. The gross domestic product itself had fallen by 2.9 per cent between 1980 and 1981 and by 4 per cent between 1983 and 1984. In absolute terms, the gross domestic product was \$1,085 million in 1984, the same level as in 1980 (according to a report prepared by the United Nations in 1986).

46. The Israeli occupation and the rejection of Arab rights were incompatible with the stability and economic development of peoples. By virtue of its historic links of fraternity with the Palestinian people, Jordan would continue to support the inhabitants of the occupied territories in all fields, in order to strengthen their resistance until the end of the occupation and the coming of peace, which only a just, durable and comprehensive solution of the Palestine question could guarantee.

47. Mr. SZEDLACSKO (Hungary) felt that the concept of international economic security, which was expounded in detail in document A/42/314, should form an integral part of a comprehensive system of international peace and security. The present situation of the world economy continued to be characterized by difficulties: commodity prices remained depressed; protectionism was growing; restrictions were based on non-economic considerations; and world trade was not expanding. However, certain phenomena had given cause for optimism and tended to increase the unpredictability of longer-term economic prospects.

48. The concept of international economic security should be based on the principles of economic co-operation set forth in the Charter and in other important United Nations documents. The aim should be a democratic restructuring of international economic relations. The framework should be created for an active dialogue, constructive international economic negotiations and mutually advantageous co-operation based on respect for common interests and shared responsibility for the future of the world. The concept embraced all fields of economic, trade, financial, scientific, technological and environmental co-operation. It was indispensable to improve mutual information and to establish an early-warning system of forecasting external risk-factors affecting national economies.

49. A constructive dialogue was needed to foster economic growth and development. It would be practicable to hold regular economic summit conferences for the purpose of co-ordinating economic policies, strengthening mutual confidence and ensuring collective responsibility. Common global interests in a higher rate of growth, a rapid and wide-spread technological advance, environmental equilibrium and stable world trading and financial systems were on the increase. Those interests should rightly be concerned with the elaboration of the concept of international economic security. His Government fully identified itself with that goal. The issue would involve lengthy and complex negotiations but they would be greatly facilitated if the political will of all parties was summoned. It was necessary to give effect to the principles of mutual responsibility in order to strengthen the security elements of international economic relations. The Economic and Social Council should play an important role in that field.

50. Mr. CAHILL (United States of America) believed, like many other delegations, that, while the Economic and Social Council should play a central role in the consideration of economic and social questions, its subsidiary bodies had, in fact, taken away part of its pre-eminence. The Special Commission established by the Council might help to redefine its tasks and its structure and to increase the effectiveness of the relations which it maintained with its subsidiary bodies and the General Assembly. His Government would consider carefully the specific recommendations made by the Special Commission.

51. Not being able to address all the questions dealt with in the Council's report, he would confine himself to stressing the importance of the concept of capital formation, which had a decisive impact on growth and development. Capital formation was essential if financial resources, manpower and technology were to be applied to productive ends. It was, however, a complex process which required the right environment.

52. The accumulation of financial resources was achieved both by external financial inputs and domestic savings. It was, therefore, necessary not only to consider the net balance of transfers of financial resources but to analyse their components. Incoming capital flows comprised both public and private lending as well as direct foreign investment, while outgoing flows included debt service payments and flight capital. Each of those components should be considered separately. Lessons could be learned with regard to the accumulation of financial resources.

53. It then remained to apply those resources to productive ends. That was a question of domestic policy closely determined by each country's development plans. To that end, having respect for the sovereign rights of each State, the United Nations could only provide information and advice. It had already done excellent work in that regard. In that context, the advantages of new programmes for assisting small rural enterprises, for example, merited wider recognition.

54. Mr. EL-ATFASH (Libyan Arab Jamahariya) expressed support for most of the ideas set forth in the report of the Economic and Social Council and, like most countries, optimistically backed the idea of the strengthening of the role of the Council. He welcomed the present opportunity to continue the dialogue and to arrive at decisions that would enable the Council to discharge its function optimally. He proposed the adoption of resolutions that would reactivate the Council and represent synthesis of the ideas contained in the report of the Secretary-General and the proposals submitted by the Group of 77.

55. In view of the difficult situation of the international economy and the parallel social problems, the Economic and Social Council must request the General Assembly to concentrate on the problems of international development, adopting a more integrated approach; in that regard, he cited in particular the questions of international economic security, debt, the effects of desertification, telecommunications in Africa, the transfer of technology in favour of Africa with a view to reducing the technological gap, mines left by Second World War operations and, lastly, Israeli practices in the occupied Arab territories. He affirmed his

(Mr. El-Atrash, Libyan Arab Jamahiriya)

country's support for the Economic and Social Council and its desire to co-operate with the rest of the world in a spirit of peace.

56. Mr. RAHMAN (Bangladesh) recalled that the position of the Group of 77 had been presented before the Special Commission of the Economic and Social Council on the In-depth Study of the United Nations Intergovernmental Structure and Functions in the Economic and Social Fields. The Charter of the United Nations, in Articles 62 to 66, clearly defined the functions of the Council, and resolution 32/i97 had further elaborated its responsibilities.

57. After recalling the various points made in that resolution, he noted with regret, like many others, that the Economic and Social Council had not been able to discharge its task fully and could not consider in depth the questions before it. The other intergovernmental organizations or bodies did not take sufficient interest in its work. Its membership was limited instead of universal, and it did not receive the proper Secretariat support. Routine activities had to be reduced in favour of in-depth consideration of new ideas and major issues. The "biennialization" of the consideration of certain items should continue. The Council should give closer consideration to the work of the regional commissions and ensure greater co-ordination of operational activities for development. Furthermore, the analytical quality of the documentation before the Council should be improved. Fortunately, the deliberations of the Special Commission had demonstrated the will of States to reinvigorate the Council.

58. Mr. BRAISH (Afghanistan) attached great importance to the concept of international economic security which should inspire the normalization of international economic relations, the establishment of equitable economic and trade relations and their restructuring in a democratic spirit. The implementation of the United Nations Charter and the Charter of the Economic Rights and Duties of States was an essential prerequisite for that.

59. In the pursuit of their economic development, the developing countries, particularly the least developed countries, should feel safe from external threats; accordingly, all obstacles of a coercive nature, such as blockades, trade restrictions, embargoes, sanctions and other illegal and unjustifiable measures should be totally eliminated. The concept of international economic security, in that context, would eliminate economic policies based on discrimination and on conditionality attached to financial arrangements, as well as measures taken or envisaged by States for influencing the macro-economic policies of other States.

60. Afghanistan believed that the use of science and technology for military ends constituted a massive obstacle to socio-economic development, particularly that of the least developed countries. It regarded as totally illegal resort to economic or other measures to coerce States to take, or refrain from taking, essentially political action deriving from the exercise of their sovereignty. It was therefore necessary that States should strictly observe the principles governing international relations and refrain from intervening in the internal affairs of other States.

61. Mr. HARAN (Israel), speaking in exercise of the right of reply, said that the representative of Jordan had presented figures while carefully omitting to cite the sources, thereby giving the impression that those figures had been taken from the report which the Committee had before it under the agenda item it was considering.

62. To provide an accurate picture of the situation in the territories administered by Israel it was necessary to cite the precise sources, including the report issued by ESCWA in December 1981 (E/ECWA/UNIDO/Working Paper 1), which showed that in 1965, or shortly after the end of the Jordanian occupation, GDP in the West Bank had amounted to \$140 million, or a little over \$200 per capita. According to document UNCTAD/ST/SEU 1 prepared by UNCTAD, the corresponding figure for 1984 had been \$1,037. Since then, GDP in the West Bank had increased on average by 9 per cent and was currently \$1,200 per capita, or six times more than in 1965 in nominal terms and three times more in real terms.

63. In the agricultural sector the official United Nations figures showed that in 1965 the value of production had been \$36 million, whereas, according to the UNCTAD document mentioned earlier, it had been \$288 million in 1984. The ESCWA report indicated that in 1965 the West Bank had had virtually no industrial infrastructure and that many workers had had to emigrate to the East Bank, where they had lived in difficult conditions, in order to meet the needs of their families. In 1965 the value of industrial production in the West Bank had been \$7 million a year, whereas in 1984 it had been \$9.2 million a month.

64. Those figures spoke for themselves, and it was time to put an end to a ridiculous discussion regarding the absence of economic progress in the territories under Israeli administration, when Jordan itself could not display equivalent results.

65. Mr. BATAINEH (Jordan), speaking in exercise of the right of reply, said that the main economic, social and demographic statistics which he had mentioned in his statement were taken from studies prepared by Mr. Benvenisti, a very well-known Israeli personality.

66. The comparison drawn by the representative of Israel between the economic and social situation of Palestinians currently living under Israeli military occupation and the situation which had prevailed in the West Bank before the 1967 war was unacceptable. If there was to be a comparison, one would have to compare the current situation of the Palestinians in the occupied Arab territories with the situation which would have prevailed if the population of those territories had been free to take all decisions concerning its economic development and to farm as it wished the agricultural land. It was altogether abnormal that the Israeli military authorities should have confiscated 51 per cent of the total agricultural land cultivated by individuals and representing for them their only means of livelihood.

67. At the end of 1967 the occupied territories had contained 1.3 million inhabitants. The population, which according to demographic projections should have been comprised of 1,684,000 inhabitants in 1984, had consisted of only

(Mr. Bataineh, Jordan)

1,415,000 inhabitants at the end of that year. That meant that the difficult living conditions created by Israel had caused 269,000 persons to depart.

68. In 1965 production in the West Bank had represented 37 per cent of the gross domestic product of the Hashemite Kingdom of Jordan, whereas the corresponding figure for 1984 had been 20 per cent. Furthermore, before the Israeli military occupation the average per capita income in the West Bank had been equal to or slightly higher than such income in the East Bank of Jordan, yet it was currently no more than 73 per cent of the latter.

69. Out of the 800,000 inhabitants currently in the West Bank, 52,000 were Israeli settlers. According to Mr. Benvenisti, general consumption and supplementary resources from the Israeli Government in the settlements accounted for 35 per cent of the gross domestic product of the West Bank. In other words, the average per capita consumption of the Israeli settlers was 16 times higher than that of the Arab population.

70. Mr. HARAN (Israel), speaking in exercise of the right of reply, said that, since the representative of Jordan had mentioned Mr. Benvenisti, it was worth recalling that in the West Bank Handbook, a Political Lexicon, Mr. Benvenisti had stated that the relatively stable use of land since 1967 in the territories administered by Israel belied the allegation that there had been a substantial reduction of the cultivated area owing to the confiscation of land. It was indicated in paragraph 37 of document E/1983/77 that since 1970 the Israeli authorities had adopted a new policy based on the old Turkish land code, whereby all unoccupied land could be considered mawat (dead) land and anyone needing such land could cultivate it, with the consent of the authorities, provided that the land remained the property of the Sultan, whom the Israeli Government considered it had replaced. The land, which had formerly belonged to the Government of Jordan and not to individuals, who had certainly not been stripped of their property, had been taken over by the Government of Israel, which had never concealed that fact.

71. If, as the representative of Jordan affirmed, almost 300,000 Palestinians had left the occupied territories, it should be borne in mind that the statistics showed that many Arabs from other countries, including Jordan, had left their native soil in order to seek work in the oil-producing States.

72. Where agriculture was concerned, the statistics showed that between 1969-1971 and 1980 agricultural production in Jordan had increased by only 22 per cent, or far less than in the territories, where the resources (water and arable land, etc.) were nevertheless equivalent.

73. It was better to compare real situations than hypothetical ones. In any event, only direct negotiation, not sterile debate in the Committee, would help to modify the living conditions of the Palestinians.

74. Mr. BATAINEH (Jordan), speaking in exercise of the right of reply, said that he was not in the habit of inventing figures and then presenting them as reliable

(Mr. Bataineh, Jordan)

statistics. It was indisputable that the arable land area in the occupied territories had declined because the Israeli authorities had taken it to establish Jewish settlements or to carry out military training activities. That land, which in the West Bank had amounted to approximately 2,435,000 dunums in 1965, had consisted of only 1,514,000 dunums at the end of the 1970s. Moreover, according to statistics published by the United Nations, to date the Israeli occupation authorities had expropriated 2,761,900 dunum , or 51 per cent of the total area of the West Bank.

The meeting rose at 5.55 p.m.