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ASSESSMENT OF THE PROGRESS MADE IN THE ESTABLISHMENT OF THE
NEW INTERNATIONAL ECONOMIC ORDER AND APPROPRIATE ACTION FOR
THE PROMOTION OF THE DEVELOPMENT OF DEVELOPING COUNTRIES AND
INTERNATIONAL ECONOMIC CO-OPERATION

Text submitted by the Chairman of Working Group I

Addendum

II. GOALS AND OBJECTIVES

1. The International Development Strategy for the Third United Nations Development Decade, as an integral part of the efforts of the international community to establish a new international economic order, aims at the accelerated development of the developing countries. In contributing to the solution of international economic problems, it will greatly help sustained global economic development and promote the achievement of the ultimate aim of development - the improvement of the conditions of all. It will involve and require changes in the world economy and in the economies of the developed and developing countries themselves; and it calls for institutional and structural changes in international economic relations. In an interdependent world economy, it is the responsibility of all Governments to contribute to the achievement of the goals and objectives of the Strategy. The experience of the 1970s clearly indicates that the goals and objectives of the world community can only be attained through a substantially greater effort in the 1980s than was made in the Second United Nations Development Decade.

2. Particular attention should be given to the need for accelerated development of the least developed countries and other developing countries, particularly those in the special categories, where the development needs and problems are greatest. Special and effective measures should be taken to alleviate their pressing problems and lessen the basic economic constraints facing them.

3. Accelerated development calls for a more equitable distribution of economic opportunities among nations. In an interdependent world this will be a source of economic strength. It entails changes in the patterns of global production, consumption and trade arising in particular from the industrialization of developing countries: it requires effective control by those countries over the use of their own resources; and it calls for changes in the framework of international economic relations so as to ensure their equitable, full and effective participation in the formulation and application of all decisions in the field of international economic co-operation for development.

4. Each developing country will set its own target for growth in the light of its particular circumstances. In order to achieve the goals and objectives of the International Development Strategy, the average annual rate of growth of gross domestic product for the developing countries as a whole during the Decade should be 7 per cent, and in the early part of the Decade, as close as possible to this rate. This target and those derived from it are a broad indication of the scope of concerted efforts to be made during the Decade at the national and international levels. On the basis of regional needs, circumstances and patterns of growth, more specific regional goals may be elaborated in the framework of the regional commissions. Special efforts are required to ensure that the low-income developing countries attain the average rate of 7 per cent.

5. If the average annual rate of growth of population in the developing countries were to remain about 2.5 per cent, an average annual increase of 7 per cent in

gross domestic product would lead to an annual increase of about 4.5 per cent in per capita gross domestic product. This will double income per capita in developing countries around the middle of the 1990s. Such a growth in income is necessary if real progress is to be made towards raising substantially the share of the developing countries in the world production of goods and services and towards eliminating the growing gap between the standards of living of developing and developed countries. Such growth is equally essential if the people of developing countries are to benefit from development through expanding employment opportunities, rising levels of income and consumption, better housing and expanding facilities for health and education. Accelerated growth in the developing countries is also needed in order to support national policies aimed at achieving a more equitable distribution of income and benefits from development. Further, such growth will contribute significantly to a more balanced growth of the world economy.

6. An acceleration in the tempo of production in developing countries will require a rapid expansion and diversification of their international trade. For developing countries in general exports and imports of goods and services should expand at annual rates of not less than 7.5 per cent and 8 per cent, respectively. The attainment of such rates of growth and the improvement of the terms of trade of developing countries will necessitate equitable participation of developing countries in international trade, inter alia, through improved market access for their products, and extending to them special and preferential treatment where feasible and appropriate, in the context of the general effort to liberalize world trade, particularly in their favour, and vigorous efforts to resist protectionism, as steps towards promoting equity in trade relations between the developing and developed countries. The industrialized countries will take fully into account the industrialization and development objectives of the developing countries when shaping their trade policies, in particular by continuing and accelerating the implementation of effective adjustment policies based on mutual benefit and dynamic comparative advantage.

7. The acceleration of production will require that gross investment reaches the level of about 28 per cent of gross domestic product by 1990. The developing countries, therefore, must fully mobilize their domestic financial resources. To this end, for developing countries in general, gross domestic saving should be increased to reach about 24 per cent of gross domestic product by 1990. The developing countries that have a saving ratio of less than 15 per cent should make vigorous efforts to raise it to 20 per cent as early as possible. The countries that have or will soon have a saving ratio of 20 per cent should raise it significantly during the Decade.

8. The rising investment and imports needed for an acceleration of growth commensurate with the attainment of the goals and objectives of the international development strategy require a substantially greater flow of financial resources in real terms to developing countries. In this context, recent major proposals made by Heads of State and Government, and other important proposals to increase substantially concessional and non-concessional flows in real terms to developing countries should be given urgent consideration by the international community. A major objective of the Decade must be to make possible in the context of continued changes and improvements in the international financial system an enhanced flow of financial resources on terms and conditions that are better attuned to the development aims and economic circumstances of developing countries. A rapid and substantial increase will be made in official development assistance by all developed countries, with a view to reaching and where possible surpassing the agreed international target of 0.7 per cent of the gross national product of developed countries. To this end, developed countries which have not yet reached the target should make their best efforts to reach it by 1985, and in any case not later than in the second half of the Decade. The target of 1.0 per cent should be reached as soon as possible thereafter. The efforts of developed countries will be greater, the lower their relative performance. Developing countries in a position to do so should also continue to provide assistance to developing countries. Within the framework of this general increase to all developing countries, and in order to meet the most pressing problems and correct the deteriorating situation of the least developed countries and developing countries in the other special categories where the development needs and problems are greatest, the flows of official development assistance will increasingly be directed towards those countries.

9. Efforts should be made to encourage an increase in net flows of non-concessional capital which is required for the over-all financing needs of the developing countries, taking into account their national plans and legislations.

10. In order to create conditions more favourable to the development of the developing countries and the growth of the world economy in general, efforts to increase the responsiveness of the international monetary system to the needs and interests of the developing countries should be intensified through further reform of the system to be pursued and carried out expeditiously early in and throughout the Decade to the benefit of the entire international community. To these ends, the international monetary system should provide for equitable and effective participation of developing countries in decision-making, taking into account, inter alia, their growing role in the world economy, as well as a symmetrical and efficient adjustment process, stability of exchange rates of international currencies, and to further strengthening and expansion of the special drawing rights as the central reserve asset in order to ensure better international control over the creation and equitable distribution of international liquidity. In stipulating the conditions attached to the use of its resources, the International Monetary Fund will pay due regard to the social and political domestic objectives of member countries, to their economic priorities and circumstances, including the causes of their balance-of-payments problems. The international and multilateral financial institutions are urged to continue to expand and improve their lending facilities, and to create new ones where necessary, with a view to assisting their members, including in particular the developing countries which face balance-of-payments difficulties.

11. The persistence of inflation in the world economy, particularly in developed countries, impedes growth and development and renders the situation of developing countries even more precarious. The rate of inflation should be substantially reduced and its adverse effects should be mitigated as far as possible so as to help to ensure a sustained, increased and real economic growth, particularly in the developing countries. Rapid economic growth in developing countries will help rationalize productive structures and decrease inflationary pressures.

12. Hunger and malnutrition must be eliminated as soon as possible and certainly by the end of this century. Substantial progress should be made during the Decade towards food self-sufficiency and food security in developing countries so as to ensure an adequate level of nutrition for everybody. Agricultural production in developing countries as a whole should expand at an average annual rate of at least 4 per cent so that it will be possible to meet the nutritional needs of the populations, to enlarge the base for industrialization and the diversification of economic structures, and to redress current imbalances in world production. The share of developing countries in world exports of food and agricultural products should increase substantially. To those ends, developing countries should continue to strengthen the formulation and implementation of food and agricultural development plans within the framework of their national development priorities and programmes. These objectives should be supported by additional external resource transfers in the context of over-all greater flows of financial resources to developing countries. An improved international framework for the agricultural development of developing countries is also necessary, including increased market stability, greater security of agricultural supplies, and, in order to enlarge the export potential of developing countries, improved access for their agricultural products to world markets.

13. Developing countries as a whole should expand manufacturing output at an average annual rate of 9 per cent, thereby making a significant contribution in the 1980s towards raising the share of developing countries in world manufacturing production and laying the basis for achieving the target of a 25 per cent share of world production by the year 2000 as set out in the Lima Declaration and Plan of Action on Industrial Development and Co-operation. 1/ Industrialization should be aimed at meeting in an integrated way the over-all requirements of the development of the national economies of developing countries. Manufacturing activities should be geared towards not only satisfying growing domestic demand and employment requirements but also, as a component of independent national economies, increasing the share of developing countries in world exports of manufactured goods. A fundamental objective of the world community is to achieve a system of trade based on a dynamic pattern of comparative advantage reflecting a more effective international division of labour. Far-reaching changes should, therefore, be brought about in the structure of world production, in the spirit of mutual benefit, so as to increase and diversify the production of the developing countries and create new sources of employment there. In this context, improved access to markets for products of export interest to developing countries, and continued attention to

1/ See A/10112, chap. IV.

the formulation and implementation of positive adjustment policies in the industrialized countries are important objectives of international co-operation.

14. The physical and institutional infrastructure in developing countries should be expanded at rates that fully support the rate of expansion of the economy as a whole, and adequate financial and technical resources should be provided for that purpose. Special attention should be given to overcoming the bottle-necks and constraints of transport and communication facing the developing countries, particularly with a view to strengthening intraregional and interregional links.

15. Due account should be taken of the positive role of the public sector in mobilizing internal resources, formulating and implementing over-all national development plans and establishing national priorities.

16. In a growing world economy and without prejudice to the principle of full permanent sovereignty of each State over its natural resources, the rational development, management and utilization of natural resources should be encouraged in order, *inter alia*, to prevent early exhaustion of finite resources and overburdening of renewable sources. It will be necessary, particularly for the industrialized countries, which bear the heaviest responsibility for the use of natural resources, to encourage new patterns of consumption and production.

17. In the field of raw materials, the agreed objectives of the Integrated Programme for Commodities should be actively pursued. In this context, international commodity agreements should be concluded and a more equitable distribution of activities related to the processing of raw materials should be achieved with the aim of increasing the location of those activities in developing countries. Developing countries should also acquire improved capacity to explore and develop their natural resources and to ensure closer integration of the sector in the over-all development of their economy.

18. In order to create conditions more favourable to the development of the developing countries and the growth of the world economy in general, efforts for the development and expansion of all energy resources of the world should be intensified in search for a long-term solution to the energy problem. The international community will have to make substantial and rapid progress in the transition from the present international economy based primarily on hydrocarbons. It will have to rely increasingly on new and renewable sources of energy, seeking to reserve hydrocarbons for non-energy and non-substitutable uses. In view of the finite supply of fossil fuels in the world economy and the often wasteful and inefficient utilization of those resources, effective measures for their conservation will have to be urgently adopted and/or improved, in particular by developed countries which consume the major share of the world's hydrocarbon production.

In view of the increasing energy requirements of the developing countries during the Decade and beyond, which will limit their ability to reduce energy-use significantly without hindering their development, concerted and adequate measures commensurate with their development goals and their immediate and longer-term needs will be adopted by the international community. In this context, the exploration development, expansion and processing of all energy resources of the developing countries will be promoted at a rate commensurate with their development objectives and adequate financial and technical resources will be provided for the purpose. The international community will devote serious attention to the effective implementation of the results of the United Nations Conference on New and Renewable Sources of Energy. Adequate financial and technical resources will be devoted to the development of new and renewable sources, to conventional forms of energy and to the adaptation of technology to the needs of developing countries. Developed countries should give or facilitate as appropriate freest and fullest possible access to all energy technologies, particularly those related to the development of new and renewable forms. The problem of energy will be considered within the global negotiations relating to international economic co-operation for development, as agreed to by the General Assembly at its thirty-fourth session.

19. The strengthening of the scientific and technological capacities of developing countries is essential for their sustained and accelerated development. The international community will implement the Vienna Programme of Action on Science and Technology for Development 2/ principally in order to strengthen the scientific and technological capacities of developing countries, to restructure the existing pattern of international scientific and technological relations and to strengthen the role of the United Nations system in science and technology and the provision of increased financial resources. Efforts will be made at national and international levels to enable developing countries to have easier access to the technology - including advanced technology - they require and facilitate the transfer of such technology on a substantially increased scale.

20. The most pressing problems and the deteriorating situation of the least developed countries must receive special attention. In order to remove the basic constraints to their development and thereby transform their economies, efforts by the least developed countries themselves and by the international community must be immediately and substantially expanded. Measures should be focused on promoting a self-sustained process of development, on accelerating agricultural and industrial progress and on ensuring the development of human resources and broadly based participation in development. The international community will devote serious attention to the effective preparation, conclusion and follow-up of the United Nations Conference on the Least Developed Countries.

2/ Report of the United Nations Conference on Science and Technology for Development, Vienna, 20-31 August 1979 (United Nations publication, Sales No. E.79.I.21 and corrigenda), chap. VII.

21. The special and pressing problems of the land-locked, island and most seriously affected developing countries need to be met through specific measures and actions.

22. There is a close relationship between disarmament and development. Progress in the former would help greatly in the realization of the latter. Therefore, resources released as a result of the implementation of disarmament measures should be devoted to the economic and social development of all nations and should contribute to the bridging of the economic gap between developed and developing countries.

23. Economic and technical co-operation among developing countries based on the principle of collective self-reliance constitutes a dynamic and vital component of an effective restructuring of international economic relations. While the main elements of economic and technical co-operation among developing countries will be determined by those countries themselves, the international community should accord high priority and urgency to supporting the efforts of developing countries to strengthen and implement their programmes of mutual economic and technical co-operation. Such programmes will contribute to reducing their external dependence and vulnerability, achieving equitable and balanced international economic relations and strengthening their role in the world economy, their self-reliance and autonomous growth and development.

24. Accelerated development in the developing countries could enhance their capacity to improve their environment. The environmental implications of poverty and under-development and the interrelationships between development, environment, population and resources must be taken into account in the process of development. It is essential to avoid environmental degradation and give future generations the benefit of a sound environment. There is need to ensure an economic development process which is environmentally sustainable over the long run and which protects the ecological balance. Determined efforts must be made to prevent deforestation, erosion, soil degradation and desertification. International co-operation in environmental protection should be increased.

25. Development is an integral process, embodying both economic and social objectives. National development plans and targets of the developing countries should be formulated on the basis of a unified approach to economic and social development, which is essential for balanced development of all sectors of the economy, should provide for both accelerated growth and increased effectiveness of production and should fully take into account not only immediate but also long-term social and economic objectives of development of the developing countries. It is for each country to establish adequate national objectives for the promotion of human and social development within the framework of its development plans, priorities and resources and in accordance with its socio-economic structure and existing circumstances. The final aim of development must be the continuing increase in the well-being of the entire population on the basis of its full participation in the process of development and a fair distribution of the benefits therefrom. As part of the efforts to implement the International Development Strategy, the international community will provide technical and financial support to achieve those goals, in the context of an over-all substantial increase in resources for development, paying due respect to the cultural identities of nations and peoples.

26. The reduction and elimination of poverty and a fair distribution of the benefits of development are primary objectives for the international community during the Decade. Great numbers of workers remain underemployed or unemployed. Many millions are illiterate. High infant mortality rates, poor housing and environmental degradation in urban slums and depressed rural areas continue to afflict the people of the developing countries. More resources for production, higher productivity and accelerated development are essential for progress towards higher and more equitable standards of living. These are continuing challenges to the international community, and Governments accordingly reaffirm their commitment to the broad aim of development.

27. The achievement of full employment by the year 2000 remains a primary objective. Intensive efforts will have to be made to increase the opportunities for productive employment, especially for the new entrants to the labour force, as this is expected to increase by 2.5 per cent per annum, and to reduce and eliminate the present massive unemployment and underemployment.

28. The international community recognizes the need for countries to continue to strengthen their implementation of the recommendations of the World Population Plan of Action. Consistent with the World Population Plan of Action, 3/ all countries should respect and ensure the right of parents to determine the number and spacing of their children and should as a matter of urgency make universally available advice on and means of achieving desired family size.

29. The development of human resources provides a broad basis for development; it enhances the capacity of people to participate constructively in the development process. In this context, education is an important element, and the provision of universal education on the broadest possible scale, the eradication or considerable reduction of illiteracy, and the closest possible realization of universal primary enrolment by the year 2000 remain major goals of all countries during the Decade. A parallel and harmonious expansion of all levels and types of education is equally necessary, keeping in view the decisive role of education and training for national development and individual fulfilment.

30. The absence or shortage of trained and qualified national personnel often limits the capacity of developing countries to take full advantage of existing or potential development opportunities. The provision of the required trained and qualified personnel on a scale assuring national self-sufficiency in this respect would constitute an important contribution to the achievement of the development goals of the developing countries. The international community should provide adequate financial and technical resources to support training of national personnel in all sectors of social and economic activities in the developing countries.

31. The attainment by the year 2000 of a level of health that will permit all peoples of the world to lead a socially and economically productive life is an important objective of the international community. Primary health care is a key measure for the attainment of this objective. All countries will broaden the access of the poorest groups in their populations to health facilities and, with the assistance of the international community, will ensure immunization against major

3/ Report of the United Nations World Population Conference, 1974 (United Nations publication, Sales No. E.75.XIII.3), chap. I.

infectious diseases for all children as early as possible during the Decade. Safe water and adequate sanitary facilities should also be made available in rural and urban areas to all by 1990. The reduction of mortality rates will be a major objective. In the poorest countries, infant mortality should be reduced to less than 120 per 1,000 live births. Life expectancy in all countries should reach at least 60 as a minimum and infant mortality rates of 50 per 1,000 live births, as a maximum by the year 2000. Particular efforts should be made to integrate the disabled in the developmental process. Effective measures of prevention and rehabilitation are therefore essential.

32. The provision of basic shelter and infrastructure for all people, in rural as well as urban areas, is a long-term goal. A balanced network of cities, towns and villages is needed for harmonious development, for the emergence of mutually supportive linkages between industrial and agricultural activities, and for the adequate provision of infrastructure and services. Well-balanced programmes for the development of human settlements are necessary so as to provide greater benefits to low-income groups.

33. In pursuit of the objectives highlighted during the International Year of the Child, the welfare of children will be fostered. The essential role of the family in the balanced development of the child should be stressed. Efforts should be made to improve the living conditions of children and to eliminate child labour in conformity with the relevant international labour conventions; special attention should be paid to the large number of children under 15 years of age living in rural and urban poor areas.

34. Full and effective participation by the entire population at all stages of the development process should be ensured. In line with the Plan of Action of the World Conference of the United Nations Decade for Women, women should play an active role in that process. Appropriate measures should be taken for profound social and economic changes and for the elimination of the structural imbalances which compound and perpetuate women's disadvantages. To this end, all countries will pursue the objective of securing women's equal participation both as agents and as beneficiaries in all sectors and at all levels of the development process. This should include women's greater access to nutrition, health services, education and training, employment, and financial resources and their greater participation in the analysis, planning, decision making, implementation and evaluation of development. Changes that will lead to the sharing of responsibilities by men and women in the family, and in the management of the household should be encouraged. Institutional and administrative mechanisms to accomplish these objectives should be strengthened. All countries should give high priority to the objectives of mobilizing and integrating youth in development.
