### **AGENDA ITEM 65**

Mid-term review and appraisal of progress in the implementation of the International Development Strategy for the Second United Nations Development Decade (continued)\* (A/10003, chap. IV, sect. A; A/C.2/L.1444, A/C.2/L.1483, DP/117 and Add.1-6, DP/120, E/5618, E/5625 and Corr.1, E/5627, E/5629, E/5640 and Add.1, E/5641, E/5647, E/5665, E/5671, E/5678, E/5681 and Add.1-4, E/5690 and Add.1, E/5693, E/5701, E/CN.5/512, TD/B/530 and Add.1 and 2, TD/B/535 and Add.1)

DRAFT RESOLUTION SUBMITTED BY THE GROUP OF 77 (continued)\*\* (A/C.2/L.1444, A/C.2/L.1483)

52. The CHAIRMAN suggested that the Committee authorize the Rapporteur to submit to the General Assembly a partial report on the draft resolutions already adopted under agenda item 65.

It was so decided.

53. Mr. HOSNY (Egypt), speaking as Vice-Chairman, said that, during informal discussions on draft resolution A/C.2/L.1444, agreement had been reached on 50 paragraphs, but that further consultations would be necessary on the remaining passages. He said that the spirit of co-operation which had prevailed throughout the consultations gave cause for some optimism and that, in view of the importance of the subject, the participants were prepared to speed up their efforts in order to reach full agreement.

- \* Resumed from the 1710th meeting.
- \*\* Resumed from the 1694th meeting.

- 54. Mr. LOBANOV (Union of Soviet Socialist Republics) said that his delegation was pleased to note the constructive spirit which had prevailed in the discussions on the draft resolution. Although some progress had been made, much remained to be done, and he pointed out that the number of amendments and subamendments which had been proposed was far greater than usual for that type of draft resolution. Since it was clear that delegations must receive instructions from their Governments and, moreover, that it was unwise to put pressure on the negotiating groups, he suggested that no final decision should be taken on the draft resolution until Friday, 12 December, in order to give the Secretariat time to prepare a revised text and to allow delegations to consult with their Governments. In that respect, he wished to point out that the draft resolution had no financial implications, and that it would therefore not be necessary to submit it to the Fifth Committee.
- 55. Mr. PETRONE (Italy) and Mr. MYERSON (United States of America) suggested that Monday, 8 December should be set as the time-limit for the submission of the new text, as that would give them a whole day to study and consider it.
- 56. The CHAIRMAN said that, as a result of the informal consultations, the draft resolution might entail financial implications and that, in any case, discussions on the question must end on the afternoon of Tuesday, 9 December.

The meeting rose at 5.45 p.m.

# 1713th meeting

Thursday, 11 December 1975, at 3.40 p.m.

Chairman: Mr. Olof RYDBECK (Sweden).

A/C.2/SR.1713

# **AGENDA ITEM 65**

Mid-term review and appraisal of progress in the implementation of the International Development Strategy for the Second United Nations Development Decade (concluded) (A/10003, chap. IV, sect. A; A/C.2/L.1444, A/C.2/L.1483, A/C.2/L.1496 and Corr.1, A/C.2/L.1497, A/C.2/L.1498, DP/117 and Add.1-6, DP/120, E/5618, E/5625 and Corr.1, E/5627, E/5629, E/5640 and Add.1, E/5641, E/5647, E/5665, E/5671, E/5678, E/5681 and Add.1-4, E/5690 and Add.1, E/5693, E/5701, E/CN.512, TD/B/530 and Add.1 and 2, TD/B/535 and Add.1)

DRAFT RESOLUTION SUBMITTED BY THE VICE-CHAIRMAN (A/C.2/L.1496 AND CORR.1, A/C.2/L.1497, A/C.2/L.1498)

1. Mr. HOSNY (Egypt), Vice-Chairman, referring to the informal consultations concerning the draft resolution

(A/C.2/L.1444) submitted by the Group of 77, which had resulted in the draft resolution (A/C.2/L.1496 and Corr.1) which he was introducing, said that the subject was complex and the time available had been short. The consultations had proceeded in a constructive spirit of co-operation and collaboration on the part of all countries, both individually and as groups, particularly the Group of 77, which had done all it could to accommodate the views of others. In that connexion, he expressed his special appreciation to the representative of the Upper Volta, as spokesman for the Group of 77, and the representative of India, the representatives of Italy, Canada and Austria, the representatives of the Union of Soviet Socialist Republics and China, and the members of the Secretariat for their valuable contribution. Draft resolution A/C.2/L.1496 and Corr.1 was the result of those consultations and reflected the largest measure of agreement that had been possible in so short a time. He therefore hoped that it would have the support of all.

- 2. A few revisions had still to be made to the draft resolution. After paragraph (54), a new paragraph (55) should be added which reproduced word for word paragraph 4(t) of General Assembly resolution 3201 (S-VI), reading as follows: "Facilitating the role which producers' associations may play within the framework of international co-operation and, in pursuance of their aims, inter alia, assisting in the promotion of sustained growth of the world economy and accelerating the development of developing countries." Paragraph (56) should be deleted and paragraph (55) renumbered accordingly. The square brackets enclosing the texts of paragraphs (73) and (75) should be deleted. There would probably also be a few drafting changes when the final text was issued.
- 3. Mr. RABETAFIKA (Madagascar), speaking as Chairman of the Group of 77, said that draft resolution A/C.2/L.1444 had been a position paper and a negotiating paper, from which what was now draft resolution A/C.2/L.1496 and Corr.1 had emerged. Where the earlier text was concerned, the position of the Group of 77 remained unchanged. The draft resolution submitted by the Vice-Chairman did not satisfy the Group; however, as the initiators of the negotiation process, the members of the Group had been obliged to arrive at a conclusion acceptable to all and had therefore agreed that, in order to maintain the spirit of co-operation which had prevailed during the negotiations, that text should be submitted to the Second Committee. In view of the foregoing, he requested, on behalf of the members of the Group of 77, that their draft resolution should not be put to the vote. The Group would also have liked the draft resolution of the Vice-Chairman to be adopted by consensus. However, knowing that some delegations were not prepared to accept some points in the draft, the Group was prepared to have it put to the vote, but requested that no separate votes should be taken, so that general agreement could be reached on the text as a whole.
- 4. He appealed to other delegations not to introduce amendments, at so late a stage, to either draft resolution.
- 5. The CHAIRMAN said that, as the current meeting was the last of the session, he would join the representative of Madagascar in his appeal. He pointed out that amendments could still be introduced when the draft resolution came before the General Assembly in a plenary meeting.
- 6. Mr. CHANG Hsien-wu (China) said that the text of the draft resolution (A/C.2/L.1496 and Corr.1) was the result of the united efforts of the developing countries, to which some countries of the second world had contributed. The draft resolution made it clear that in recent years the terms of trade of developing countries had continued to deteriorate and the disparity between rich and poor countries had increased even further. The developing countries must strengthen their mutual co-operation and strive for selfsufficiency. In that connexion, the draft resolution contained proposals and demands of undeniable importance, and his delegation therefore fully supported it. Currently, it was not the developing countries which were dependent on the super-Powers; rather, the latter were dependent on exploitation of the former. The developing countries must therefore continue their efforts to make the new international economic order a reality. If the developing countries

- remained united in their struggle, they would foil the sabotage and machinations of the super-Powers.
- 7. His delegation supported the appeal of the Chairman of the Group of 77 and requested that the draft resolution should be adopted as soon as possible, without lengthy discussion or the introduction of substantive amendments.
- 8. Mr. CAVAGLIERI (Italy), speaking on behalf of the member States of EEC, expressed regret that, despite the efforts made by those countries, the draft resolution could not be adopted without a vote.
- 9. The CHAIRMAN suggested a brief suspension of the meeting to allow consultations on the question of amendments to draft resolution A/C.2/L.1496 and Corr.1.

The meeting was suspended at 4.10 p.m. and resumed at 4.20 p.m.

- 10. The CHAIRMAN announced that no amendments would be submitted to the draft resolution.
- 11. Mr. MAKEYEV (Union of Soviet Socialist Republics), speaking on behalf of Bulgaria, the Byelorussian SSR, Czechoslovakia, the German Democratic Republic, Hungary, Mongolia, Poland, the Ukrainian SSR and the USSR, said that those States had participated actively in the negotiations and took pride in the fact that the close collaboration between them and the developing countries had been intensified, representing an important step forward in the struggle for the establishment of a new international economic order.
- 12. However, there were serious defects in document A/C.2/L.1496 and Corr.1. For example, it made no reference to foreign policy, when in fact development was out of the question so long as conditions of international tension persisted and the armaments race continued. The countries of the socialist group had officially submitted an amendment (A/C.2/L.1498) for the addition of two new paragraphs, numbered 76 and 77. The new paragraph 76 was taken directly from the conclusions of the seventh special session of the General Assembly, and paragraph 77 from General Assembly resolution 3176 (XXVIII); thus, both were in accordance with previous General Assembly decisions on the subject, and they also reflected the position of the socialist countries and of many developing countries. However, in view of the appeal made by the Chairman of the Group of 77 and the Chairman of the Committee, his delegation, on behalf of the abovementioned countries, would not press for a vote on the amendment, which nonetheless represented their position of principle, they would continue in future to strive for the ideas set forth in the two paragraphs. Moreover, there were some points in the introduction to the review and appraisal which emphasized the relationship between aggression, decolonization, development and the increasing disparity between rich and poor countries.
- 13. Mr. RABETAFIKA (Madagascar), speaking on behalf of the Group of 77, thanked the socialist countries for not pressing their amendment to a vote. Throughout the informal consultations on the item under discussion there had been close collaboration between the Group of 77 and

the socialist countries, and he hoped that such co-operation would continue in the future, on a constructive basis, so as to contribute to the early establishment of a new international economic order.

- 14. The CHAIRMAN said that he too appreciated the action of the socialist countries in withdrawing their amendment. He invited delegations wishing to do so to state their position before the draft resolution was put to the vote.
- 15. Mr. MYERSON (United States of America) said that his Government was keenly aware of the importance of the International Development Strategy as a framework for mutual co-operation in the task of promoting the economic and social development of developing countries. His country had participated fully in the work of review and appraisal and, despite its internal economic problems, had made efforts to change its programmes and policies to support the Strategy with the aim of helping to improve the situation of developing countries, particularly those most seriously affected by inflation and the world economic crisis.
- 16. After long and sustained consultations, his delegation had hoped that it would be possible to achieve a balanced and complete review and appraisal taking into account, in particular, the broad agenda and numerous forward-looking proposals reflected in the resolution of the seventh special session. It was perhaps unfortunate that the Committee on Review and Appraisal at its third session had not provided any basis for further negotiations, and that the Economic and Social Council, being occupied with the preparations for the seventh special session and other business, had been unable to give adequate attention to that important subject at its fifty-ninth session. Under those circumstances, his delegation had suggested both informally and in the working group that it might not be the most propitious time to attempt to deal in detail with the review and appraisal of the Strategy, since the major issues had been considered during the seventh special session and there were other international meetings scheduled which might have an impact on the Strategy. Nevertheless, in view of the wishes of the majority, his delegation had agreed to proceed with the work, which in a very short time had produced the draft resolution under discussion. It was therefore with regret that his delegation found itself unable to support that draft. While the text reflected the general concern for social development, it failed to reflect adequately important factors accounting for gains and shortfalls in the first half of the Decade, and it lacked over-all balance.
- 17. His delegation also had specific substantive difficulties with regard to the draft resolution. His Government could not accept the invitation issued to developing countries in paragraph (56) to strengthen producers' associations, or the invitation in paragraph (59) to accede to the Convention on a Code of Conduct for Liner Conferences. In addition, while it recognized the right of all Governments to exercise permanent sovereignty over their natural resources, to which reference was made in paragraph (73), it felt that that right was conditioned by international obligations and by international law. Paragraph (75) used the term "racial discrimination", on which the views of the United States delegation had been repeatedly expressed in appropriate

forums. Political issues were not directly germane to the International Development Strategy and served only to introduce contentious issues into economic discussions. With regard to operative paragraph 5, his Government's position on the linking of SDR with other forms of development financing remained unchanged. For those and other reasons, his delegation could not support the draft resolution.

- 18. His delegation regarded development as a continuous process, which never came to an end even if some progress could be made. It considered that General Assembly resolution 3362 (S-VII) provided an agreed agenda for action and hoped that the United Nations would concentrate its energy and resources on obtaining concrete results in the wide area of agreement, rather than continuing the debate on issues where agreement was not currently possible. The United States was determined to move forward and, in that spirit, it regarded the forthcoming Conference on International Economic Co-operation and the fourth session of UNCTAD as opportunities to expand the dialogue with a view to widening the areas of agreement.
- 19. For those reasons, his delegation would abstain in the vote on the draft resolution.
- 20. Mr. HOVEYDA (Iran) found it regrettable that the draft resolution was to be put to a vote, rather than being adopted by consensus. All were familiar with the basic elements of the text, which represented a new fundamental starting-point for the developing countries on the road to development. He wondered whether the reservations expressed regarding certain points in the draft resolution could not be dispelled if the various delegations were to explain their positions. In his view, the text was reasonable and he therefore associated himself with the expression of gratitude of the Group of 77 to those who had refrained from submitting amendments or who had withdrawn amendments. It was true that the reservations expressed reflected important problems, but they had already been taken into account in other committees. He agreed with the United States representative that development was never finished and expressed the hope that, despite some reservations, it would be possible to adopt the text in its entirety, since the basic concepts which it embodied were vital if the huge gap separating the developed from the least developed countries was to be narrowed.
- 21. The CHAIRMAN put to the vote draft resolution A/C.2/L.1496 and Corr.1, concerning the mid-term review and appraisal of progress in the implementation of the International Development Strategy for the Second United Nations Development Decade.

The draft resolution, as orally revised, was adopted by 94 votes to none, with 7 abstentions.

22. Mr. GAJENTAAN (Netherlands), explaining his vote on the draft resolution, welcomed the fact that it had been possible to adopt the text without a dissenting vote but regretted that, despite arduous efforts on all sides, it had been necessary to take a vote. It would have been preferable to reach a consensus.

- 23. Nevertheless, and although it had whole-heartedly voted in favour of the draft resolution, his delegation wished to express certain reservations. With regard to paragraph (52), his delegation was fully convinced of the need to improve the export earnings of developing countries; for the time being, however, that could be accomplished through indirect measures such as the improvement of access to markets and commodity agreements. It would have preferred not to refer to "transfer of resources", since no agreements existed or were being considered for the improvement of export earnings through the transfer of financial resources; indeed, it was doubtful whether the mechanism of transfer of resources was a feasible instrument for that purpose. With regard to paragraph (59), the Netherlands supported the idea of a universally acceptable code of conduct for liner conferences, but did not think that that concept was fulfilled by the existing Convention. In connexion with paragraph (73), he reaffirmed that his Government recognized the principle of permanent sovereignty over natural resources and economic activities but considered that measures adopted in exercise of that right should be decided upon in the first instance by legal institutions of the State concerned. However, when there were lasting differences of opinion among the parties concerned, recourse to international legal authorities or arbitration should be possible. Lastly, in connexion with the reference in paragraph (75) to racial discrimination, he wished to reiterate his country's position with respect to the unacceptable interpretation of that term given in General Assembly resolution 3379 (XXX).
- 24. Mr. STANBURY (Canada) said that, in spite of its reservations, his delegation had voted in favour of the draft resolution, as an expression of Canada's general commitment to the implementation of the International Development Strategy, and it regretted that it had not been possible to reach a consensus on the subject. It shared to a very considerable extent the diappointment of the developing countries that the goals of the Strategy had not been attained in the first half of the Decade and believed that renewed efforts were needed if those goals were to be attained in the remainder of the Decade.
- 25. His delegation believed that a more balanced review and appraisal should have been made, and would have preferred a language more consistent with the specific agreements and the over-all climate of the seventh special session. With regard to paragraph (56), it considered that producers' associations had no real value unless provision was made for consultation with the principal consumers. Not all developing countries were exporters of commodities and raw materials, and not all exporters of raw materials and commodities were developing countries. The Canadian Government believed that it was necessary to maintain prices which were remunerative and stable for producers, so that their export earnings could be stabilized and increased, and which were also just for consumers. His delegation interpreted the paragraph in question as being consistent with that objective and not as being an instrument for the formation of cartels. His Government supported the right of all countries freely to exercise permanent sovereignty over their natural resources, to which reference was made in paragraph (73), and had already made its view very clear at the time of the consideration of the Charter of Economic Rights and Duties of States. In its opinion, that right should

- be exercised in accordance with generally accepted international laws and practices, and it would therefore never agree that a State could nationalize foreign property without paying compensation, in violation of international obligations. In addition, the assistance of competent United Nations organizations should be provided through existing programmes.
- 26. The Canadian delegation interpreted the reference to racial discrimination in paragraph (75) according to General Assembly resolutions 2626 (XXV) and 3176 (XXVIII) and not the resolution adopted on the subject at the current session; otherwise it would not have voted in favour of the draft resolution just adopted. In connexion with operative paragraph 5 (a), Canada believed that the extension of preferential treatment in favour of developing countries in trade applied to tariff treatment of the type accorded in the context of the generalized system of preferences. With regard to non-tariff measures, the treatment in favour of developing countries would be differential in nature. Lastly, Canada viewed all the references in the draft resolution to the Lima Declaration, the Charter of Economic Rights and Duties of States, and the Programme of Action adopted at the sixth special session, with the reservations on those instruments which it had expressed at the time.
- 27. Economic and other relations between developing countries and those known as the developed countries constituted the fundamental global problem of the time. The ability of the United Nations to deal constructively with those problems would to a large extent determine the viability of the Organization. His delegation hoped that the issues under consideration could be clarified by objective attention to economic and other facts, with a minimum of rhetoric. All countries were interdependent and it was necessary to advance along the road of peace and security for all.
- 28. Mr. AHOUANSOU (Dahomey) said that, as a member of the Group of 77, his country endorsed the draft resolution as a whole and had therefore voted in favour of it. He wished, however, to express certain reservations. If a separate vote had been taken on paragraph (63), concerning special measures in favour of the land-locked and island developing countries, his country would have voted against the paragraph. Dahomey sympathized with the special problems regarding the transport of export and imports which land-locked countries faced because of their geographical position. For that reason, it gave neighbouring land-locked countries access to its port and permission to use its railways; that directly contributed to the overloading and deterioration of the infrastructure of Dahomey's transport system. It therefore considered that it was unfair and even irrational to ask international organizations to give special attention only to the special needs of the landlocked and island developing countries and to give them preferential treatment in the provision of financial assistance. It was unfair because the draft resolution did not ask that the same attention should be given to the needs of the countries which allowed their infrastructure to be used and which, for that reason, also had specific problems. It was irrational because of the consequences which might follow from the implementation of that provision. It would be illogical for financial institutions to grant a request for financial and technical assistance submitted by a land-

locked developing country, in pursuance of the provisions of the paragraph in question, in order to expand and improve its road system but to reject a request for financial and technical assistance submitted to them by a coastal developing country in order to expand a port which was over-crowded partly because it was being used by the land-locked country in question. The paragraph was incomplete, because it did not take into consideration the coastal developing countries which assisted the land-locked developing countries or the relation of cause and effect existing between the trade of land-locked countries and the deterioration of the infrastructure of coast countries.

- 29. Mr. KJELDGAARD (Denmark) said that his Government had always attached the greatest importance to the International Development Strategy and firmly believed that one of the major reasons for its usefulness was that it had been adopted by consensus. His delegation was therefore disappointed that it had not been possible to reach a consensus on the mid-term review and appraisal of progress in the implementation of the Strategy.
- 30. Although his delegation had voted in favour of the draft resolution, it would have liked to see improvements in the wording of some passages with a view to producing a more balanced document. In paragraph (55), which dealt with producers' associations, reference should have been made to the equally important interests of both producers and consumers. With regard to paragraph (59), he pointed out that Denmark had not been able to approve the final text of the Convention on a Code of Conduct for Liner Conferences because it had considered it an unworkable basis for international co-operation in that field. Moreover, that text was incompatible with its existing obligations within OECD and EEC. On the subject of paragraph (73), he reaffirmed that his Government fully accepted the principle of permanent sovereignty of all States over their natural resources, but his delegation would have preferred that a specific reference be made to accepted principles of international law regarding compensation in cases of nationalization. Finally, although the wording of paragraph (75), as it stood, was much clearer than the original wording, his delegation wished to place on record that its position on the definition of racial discrimination had not changed.

# Mr. Hosny (Egypt) took the Chair.

- 31. Mr. BA-ISSA (Democratic Yemen), speaking on behalf of the countries of the Arab group, said that they had voted in favour of the draft resolution in a spirit of co-operation and in the belief that the principles it embodied were of vital importance for accelerating the progress of developing countries. The countries of the Arab group were particularly gratified by the adoption of paragraph (75); he believed that the reference to racial discrimination in that paragraph should be understood in the light of all resolutions adopted by the General Assembly on the subject, including resolution 3379 (XXX), in which it was comprehensively defined.
- 32. Mr. RABETAFIKA (Madagascar), speaking in behalf of the Group of 77, said that he was gratified by the spirit which had led the majority of delegations to vote in favour of the draft resolution. He pointed out, however, that that document could not be considered as a document of the

Group of 77, which would have preferred the Committee to adopt its own draft resolution (A/C.2/L.1444); since that had not been possible, the Group would have liked at least to see consensus reached on the subject. Nevertheless, the Group of 77 considered that the results achieved were satisfactory, since it would have been impossible to embark the following year on a revision of the Strategy if prior agreement had not been reached on what had been done in the first years of implementation.

- 33. The Group of 77 believed that the Paris Conference on International Economic Co-operation and the fourth session of UNCTAD should not be given more importance than they deserved, and it rejected the argument that, because those Conferences were to be held in the near future, certain measures should not have been taken. Moreover, it was greatly to be regretted that, despite the willingness of the sponsors to accept other texts and to endeavour to achieve balance in draft resolution A/C.2/L.1496 and Corr.1, some delegations had excused their abstaining in the vote by alleging that the text lacked balance. The Group of 77 categorically rejected that excuse, because every effort had been made to accommodate the opinions of as many delegations as possible.
- 34. On the subject of producers' associations, he said that it was futile to look for a hidden motive for the relevant provision of the draft resolution, since all that was being sought was a recognition that such associations could contribute to sustained economic growth and the acceleration of development. With regard to sovereignty over natural resources, a principle which the Group of 77 considered to be permanent and non-negotiable, he said that the draft resolution stipulated logical conditions for its exercise. The provision of the draft resolution relating to racial discrimination was self-explanatory: there was no hidden motive behind it. In any event the provision made it clear that the Group of 77 sincerely believed that without true freedom there could be no real development.

# Mr. Rydbeck (Sweden) resumed the Chair.

- 35. Mr. STURKEY (Australia) said that the International Development Strategy was one of the bases for the development of a more just and equitable economic and social order. He regretted that it had not been possible to produce a text on the mid-term review and appraisal which could be adopted without a vote. The draft resolution which had just been adopted touched upon major elements in international economic relations and further negotiations might be required for detailed study of the content of section IV, as provided in operative paragraph 5. Until such study was complete, Australia did not regard itself as committed to each and every point in the draft resolution, such as, for example, those in paragraphs (48) and (52). His Government would carefully examine all proposals on their merits as events developed. It would also continue the joint search for appropriate means of dealing with the disruption of development caused by adverse movements in export earnings; in that connexion, Australia's position on a number of paragraphs of the draft resolution dealing with the trade problems of developing countries was well known.
- 36. With regard to paragraph (73), he drew attention to his Government's frequently-stated view that in the event

of the nationalization of private investment, just compensation should be paid without undue delay, where necessary through recourse to internationally-agreed procedures for settlement of disputes, and he would have welcomed wording to that effect in the paragraph. Similarly, his delegation interpreted the invitation to competent organizations of the United Nations system to assist developing countries with the operation of nationalized means of production as meaning that that work should be done under the existing mandates of the relevant organizations and in accordance with their priorities and available resources.

- 37. With regard to paragraph (49), he said that the degree to which its objective could be implemented would depend on its compatibility with existing national policies. As for producers' associations, Australia as a producer and exporter of raw materials and primary products, was promoting marketing arrangements which took into account the interests of both producers and consumers and it had repeatedly stated the desirability of stabilizing the prices of raw materials at a level which was remunerative to producers and fair to consumers.
- 38. Notwithstanding its regret that a consensus could not be reached, his delegation had voted in favour of the draft resolution, and, as a member of the Economic and Social Council, it was resolved to work in that body and in other appropriate organizations for a more just and equitable economic and social order.
- 39. Mr. MANSFIELD (New Zealand) said that although his delegation would have liked the draft resolution to be adopted by consensus, it was pleased that there had been no vote against it, because imperfect as the text was, it was an adequate summary of achievements, further action and the remaining tasks.
- 40. With regard to paragraph (75), he said that his delegation interpreted racial discrimination in the way in which it was defined in article 1 of the International Convention on the Elimination of All Forms of Racial Discrimination (General Assembly resolution 2106 A (XX)).
- 41. Mr. PFANZELTER (Austria) said that he was pleased that, despite the difficulties that had arisen, a spirit of compromise had prevailed in the negotiations on the draft resolution, even though it had not been possible to reach consensus.
- 42. His delegation had voted in favour of the draft resolution but it wished to place two reservations on record: with regard to paragraph (56), it reaffirmed that the legitimate interests of both producers and consumers should be taken into account, and, with regard to paragraph (73), it maintained the position which it had repeatedly expressed with regard to the right of all States to sovereignty over their natural resources.
- 43. Mr. MARSHALL (United Kingdom) said that his delegation, in keeping with the importance it attached to the International Development Strategy and the review and appraisal of the Strategy, had been prepared to join in a consensus on the draft resolution, although not all the

opinions expressed in that document coincided with those of his Government. Review and appraisal was a complex business, and he hoped that the climate which had prevailed at the seventh special session of the General Assembly would continue. The explanations of vote which had just been made reflected the complexity of the issues under consideration. In those circumstances, it was with the greatest regret that, faced with a request for a vote rather than consensus, his delegation had been compelled to abstain in the vote.

- 44. His delegation acknowledged that, as a result of the consultations, it had been possible to improve the text of the draft resolution considerably, but he still believed that the document offered an unbalanced appraisal of the efforts that had been made in the first five years of the Strategy's implementation; that applied in particular to paragraphs (14) and (18) relating to commodities and the generalized system of preferences. Moreover, it did not give an accurate picture of the varying degrees to which the developed and the developing countries had attained the goals and objectives of the Strategy.
- 45. His delegation welcomed the reformulation of paragraph (55), just proposed by the Vice-Chairman, although it would have preferred a specific reference to the need for co-operation with consumers. With regard to paragraph (59), his Government, as was well known, supported the idea of a universally acceptable code of conduct for liner conferences, but it held that the existing Convention did not meet that requirement. His delegation could not accept the wording of paragraph (73) on the subject of sovereignty over natural resources, since it contained no reference to international obligations. With regard to paragraph (75), his delegation had already made clear its position with regard to racial discrimination and to the non-self-governing territories of the United Kingdom.
- 46. His delegation could not accept some features of the documents published subsequent to the World Conference of the International Women's Year, which were mentioned in paragraph (68); with regard to operative paragraph 5 (e), he drew attention to the reservations made on behalf of the United Kingdom at the time of the adoption of General Assembly resolution 3362 (S-VII).
- 47. Mr. BERG (Norway) said that, although his delegation had voted in favour of the draft resolution, it should be made clear that his Government did not accept paragraph (59), concerning the code of conduct for liner conferences. That position was motivated by the contents of the articles in the Convention on membership in liner conferences and participation in trade, which gave preferential treatment to national lines of both developing and developed countries. Norway had proposed that the developing countries should have a special status in the liner conferences with regard to participation in trade and had introduced a proposal which would have limited preferential treatment to the shipping lines of developing countries. The proposal had not been accepted.
- 48. In connexion with paragraph (75), he reiterated that his Government interpreted the term "racial discrimination" in the sense defined in the International Convention on the Elimination of All Forms of Racial Discrimination.

Had any other interpretation been put forward, his delegation would have been obliged to vote against the paragraph.

- 49. Mr. SKOGLUND (Sweden) noted that his delegation had voted in favour of the draft resolution, but regretted that it had proved impossible to arrive at a text that could have been adopted by consensus. His Government had always attributed great value to the Strategy as a common basis for international co-operation, and it had participated in all review and appraisal activities, which were especially important at the moment, in view of the forthcoming revision of that instrument.
- 50. His delegation was satisfied with the results of the deliberations on the paragraphs relating to the question of human development, and he wished to stress that his Government attached great importance to the improvement of the well-being of the individual. At the same time he wished to place on record his delegation's reservations concerning paragraph (59), in view of the problems raised by the provisions on participation in trade contained in the Convention on a Code of Conduct for Liner Conferences. He recalled that during the discussions held at Geneva on the subject (12-15 December 1973 and 11 March-6 April 1974), his delegation had introduced a proposal whereby the right of the developing countries to increased participation in maritime trade would be recognized.
- 51. Mr. GALLAGHER (Ireland), referring to paragraph (26) said that circumstances that had nothing to do with political considerations had prevented Ireland from reaching the target set for the mid-term. With regard to paragraph (59), his delegation agreed with the views expressed by other members of EEC concerning the Convention on a Code of Conduct for Liner Conferences. Lastly, on the subject of paragraph (75), he said that the only definition of racial discrimination which his delegation accepted was that given in the International Convention on the Elimination of All Forms of Racial Discrimination.
- 52. Mr. ROUGE (France) said that the text under consideration contained several points for which there was insufficient justification, others which prejudged the results of ongoing studies and others which failed to take account of the social aspect of development or of the need for collective development. His delegation wished to reiterate the reservations it had expressed concerning paragraphs (73) and (75). Nevertheless, mindful of the efforts made, and for the sake of the spirit of co-operation which it considered essential for progress, it had voted in favour of the draft resolution, thereby confirming its interest in the International Development Strategy.
- 53. Mr. KANAZAWA (Japan) said that his delegation had abstained in the vote because it considered that sections I, II and III of the draft resolution were unbalanced and, in some cases, at variance with reality. His Government found it difficult to accept several provisions, such as paragraphs (17), (38), (52) and (73). It felt that operative paragraph 5 aimed only at identifying the remaining issues and at making efforts to study them, without implying any commitment, and therefore, that the results of such study

would not prejudge the position which Japan would take on those issues. As for operative paragraph 6, his Government's position on some provisions of the Strategy had not changed. Japan hoped that the revision of the Strategy envisaged in paragraph 7 would be made on the basis of General Assembly resolution 3362 (S-VII), so as to ensure that the revised Strategy would be acceptable to all Member States and that it would be implemented with their full support. Although his delegation had abstained in the vote, it would continue to support the Strategy and would do its utmost to promote the development of the developing countries.

- 54. Mr. MASSONET (Belgium) endorsed the views expressed by the representative of Italy on behalf of EEC. His delegation had abstained in the vote because it felt that paragraph (56) should have mentioned the need for co-operation between producer and consumer countries, and because paragraph (73) made no provision for the protection of foreign investments. His delegation did not accept the meaning attributed to the term "racial discrimination" in paragraph (75).
- 55. Mr. YANNOPOULOS (Greece) said that his delegation had voted in favour of the draft resolution because it considered the document to be reasonably well balanced, and regretted that it had not been possible to adopt it by consensus. It was to be hoped that the spirit of co-operation that had prevailed during the negotiations would be maintained at future conferences and meetings. His delegation felt that, in the review and appraisal of the Strategy, the principles agreed upon in the decisions of the General Assembly at its sixth and seventh special sessions, and in the Charter of Economic Rights and Duties of States, should be applied. It would support the efforts made to put an end to inequalities throughout the world. He was grateful to the Group of 77 for the change made in paragraph (59) in response to a request from the Greek delegation. The code of conduct for liner conferences was currently under consideration by his Government; it was in favour of opening up all closed liner conferences, which, through their arbitrary and discriminatory practices, adversely affected, among other things, the development of freight rates.
- 56. Mr. ZACHMANN (German Democratic Republic), also speaking on behalf of Bulgaria, the Byelorussian SSR, Czechoslovakia, Hungary, Mongolia, Poland, the Ukrainian SSR and the Union of Soviet Socialist Republics, said that the socialist countries had supported the draft resolution as a matter of principle because of their support for the just struggle for economic and social liberation. The socialist countries had made strenuous efforts during the informal consultations to help produce a document that would represent a step in the direction of new and progressive economic relations. Despite its drawbacks, the resulting document reflected important changes in international economic relations and highlighted issues which had arisen in recent years; it was a milestone in the struggle against inequality and against economic relations detrimental to the developing countries. Mindful of the fact that détente was a necessary prerequisite for progress, those countries were satisfied that the draft resolution that had been adopted was based on the Declaration on the Establishment of a New International Economic Order, the Charter of

<sup>1</sup> See United Nations Conference of Plenipotentiaries on a Code of Conduct for Liner Conferences, vol. I, Reports and other documents (United Nations publication, Sales No. E.75.11.D.11).

Economic Rights and Duties of States and other important documents which upheld the principle of peaceful coexistence. Those countries also noted with satisfaction the concrete provisions for the implementation of the new international economic order, such as those referring to the semi-colonialist policies of transnational corporations and to sovereignty over natural resources. They disagreed, however, with the contents of operative paragraph 5 (d) (ii) since they felt that questions relating to the sea-bed and the ocean floor should be decided at the United Nations Conference on the Law of the Sea and that it would be wrong to prejudge the results of that Conference.

- 57. The above-mentioned countries had adopted an eminently practical approach in the informal consultations. A consensus had not been possible because one delegation had tried to undermine the spirit of co-operation which had characterized the discussions, in an attempt to create antagonism between those countries and the other States Members of the United Nations.
- 58. Finally, on behalf of the socialist States, he wished to express his gratitude to the Group of 77 and to the officers of the Committee.
- 59. Mr. OLIVERI LOPEZ (Argentina) said that, as the spokesman for the Group of 77 had remarked, it was a pity that the Committee had had to take a vote on the draft resolution rather than adopting it by consensus. In any case, the text was not entirely satisfactory to the developing countries. For example, it was stated in paragraph (1) that the situation in developing countries was further exacerbated by the economic recession in the developed market economies, combined with the acceleration of the pace of inflation, but it was not made clear that that imported inflation had had an extremely negative impact on the balance of payments of the developing countries. Paragraph (2) listed various priorities in connexion with the establishment of a new international economic order. In his delegation's opinion, the first priority was trade, and in that respect no particular progress had been made, and in fact there had even been some retrogression, as could be seen from paragraph (16). Paragraph (5) should be understood in the context of paragraphs (3) and (4), regarding the failure to implement the policy measures of the Strategy. Paragraph (5) explicitly stated that some of the successes achieved were due mainly to the developing countries' own efforts. In the same paragraph, mention was made of the "commodity boom", although during the past year there had been a sharp decline in commodity prices, so that the tables contained in the following paragraphs were only of relative value.
- 60. He then drew attention to the importance of the paragraphs referring to the violation of the principle of standstill, despite the provisions of part IV of the General Agreement on Tariffs and Trade. Paragraph (19) mentioned the agricultural products of developing countries, both in raw and processed forms, and in that connexion he wished to draw attention to the problem of meat, to which his country had been unable to find a satisfactory solution on account of the closure of markets in some countries. Paragraph (21) stated, somewhat leniently, that the developed countries had not made progress in the implementation of measures aimed at structural readjustment of their

non-competitive industries. It should be noted that the measures taken in that regard had been motivated more by selfish national interests than by the interests of the developing countries. With regard to a more equitable distribution of income and wealth, dealt with in paragraph (41), he said that in his country more than 45 per cent of the national income went to wage earners. It was true that development called for a considerable concentration of capital, but that could only be achieved by means of a fairer distribution of wealth and income at the world level through structural measures, which was the main objective of the third world.

- 61. In paragraph (53), and more ambiguously in paragraph (30), reference was made to an international code of conduct to be drawn up by the Commission on Transnational Corporations. In his delegation's view, the code should be designed mainly for that type of enterprise. In paragraph (56) it was stated that the developing countries should co-ordinate their activities and support one another. He drew the attention of the Secretariat to that paragraph and said that measures should be taken to incorporate its contents into the medium-term plan and programme budget. He fully approved of paragraph (73) concerning the exercise by all countries of permanent sovereignty over their natural resources and economic activities, which was fully in keeping with the "Calvo doctrine", propounded by an eminent jurist of his own country. Although some of the other provisions in the text, and specifically operative paragraph 5, were not entirely satisfactory, his delegation was pleased to note the spirit of co-operation that had led to the elaboration of the draft resolution that had been adopted.
- 62. Mr. BOEHMER (Federal Republic of Germany) said he regretted that the Committee had not been able to reach a consensus, a fact that had caused disappointment to all countries engaged in efforts to co-operate fully with the developing countries. In his opinion the draft resolution failed to reflect the endeavours that many developed countries were making to contribute to the development of the developing countries and their integration in the international economic system. It was true that many of the quantitative targets for development assistance set in the Strategy had not been reached, but it would be unfair not to acknowledge the considerable progress made.
- 63. In the past five years, his country's assistance to developing countries had increased to more than double the initial amount. In the loans granted, the unconditional portion had amounted to 95 per cent in 1974. Moreover, the terms on which assistance was provided to the less developed countries had been brought closer to those laid down in the Strategy. From the outset his Government had supported the establishment and progressive improvement of the generalized system of preferences by EEC. In addition, the Lome Convention, signed on 28 February 1975, had increased the possibilities for co-operation between developed and developing countries. In his opinion none of that could be regarded as retrogressive, and most developing countries properly appreciated their co-operation with the Federal Republic of Germany. In any over-all review and appraisal due account must also be taken of the

<sup>2</sup> See A/AC.176/7.

importance of bilateral co-operation since, if it was disregarded, draft resolutions such as the one that had just been adopted would fail to generate the necessary political support or mobilize public opinion in the developed countries in support of the cause of development. For all those reasons the draft resolution as a whole had proved disappointing, and elicited reservations on the part of his delegation.

- 64. With regard to paragraph (52), on the transfer of resources to stabilize and improve the export earnings of developing countries, his delegation associated itself with the statement made by the representative of the Netherlands. On the subject of paragraph (55), on producers' associations, it maintained the position it had taken when the paragraph had been adopted originally. He thought that producers' associations might lead to new dependencies and might hinder the free exchange of goods. With regard to paragraph (73), while reaffirming the sovereignty of all countries over their natural resources, he pointed out that that right should be exercised only in accordance with existing international law. Lastly, despite the efforts made with a view to arriving at an acceptable text, he considered that the wording of paragraph (75) was ambiguous on the subject of racial discrimination, and could on no account accept the interpretation given to that concept in resolution 3379 (XXX). Accordingly, he would have voted against that passage if it had been put to a separate vote.
- 65. Mr. CAVAGLIERI (Italy) said that his delegation had hoped that, after the numerous informal consultations and in view of that spirit of co-operation that had prevailed at those consultations, a consensus might have been reached. Unfortunately, the draft resolution had caused his delegation to entertain serious reservations, which had led it to abstain during the vote. He said that paragraph (56) was unsatisfactory and recalled that at the sixth special session specific interpretations had already had to be provided concerning the concepts embodied in it. Paragraph (59) was also unsatisfactory. With regard to paragraph (73), his delegation did not agree with the approach to the subject of nationalization. Lastly, on the subject of racial discrimination, which was referred to in paragraph (75), he had already stated his position in another forum.
- 66. However, he reaffirmed his delegation's complete commitment to the joint efforts that had to be made in the future in the field of development and, in that connexion, noted with satisfaction the appeal made by the spokesman of the Group of 77 for mutual co-operation.
- 67. Mr. HOSNY (Egypt) said that, after the intensive consultations held and the inclusion in the original text of a number of comments made by developed, market-economy countries, the Group of 77 had hoped that a consensus could be reached and that the draft resolution need not be put to a vote. However, he considered, as had been pointed out by the representative of Madagascar on behalf of the Group of 77 and by the representative of Democratic Yemen on behalf of the Arab countries, that the adoption of the draft resolution showed the existence of a spirit of conciliation and accommodation, which was of special importance in view of the forthcoming Paris negotiations between developed and developing countries and the fourth session of UNCTAD. In keeping with that spirit, his

- delegation had voted for the draft resolution. He commended the constructive attitude shown by the socialist countries in responding to the appeal made by the Group of 77 for the withdrawal of the amendments submitted. He also felt that the resources diverted from the arms race, through disarmament, could contribute substantially to the development of the developing countries. He reiterated his appreciation of the efforts made by all concerned and of the spirit of co-operation that had been shown, regardless of individual positions.
- 68. Mr. DE MOURA (Brazil) said that some paragraphs of the draft resolution failed to reflect with adequacy the actual situation in each case. That was true of section II as a whole, which did not present an accurate picture of the situation regarding the achievement of the targets and goals of the Strategy. For example, in paragraph (16) mention was made of substantive results, when it was known that those results had not been achieved during the first half of the Decade. With regard to paragraphs (30) and (53), dealing with a code of conduct for transnational corporations, he reiterated his delegation's view that the code should deal directly with the activities of such corporations. His delegation also had reservations about the drafting of paragraphs (39) and (40) and, with regard to the world social situation, felt that paragraphs (41) to (45) should be considered in the light of the provisions of paragraph (46). Also, the first sentence of paragraph (47) should be interpreted in the light of paragraph (36) of draft resolution A/C.2/L.1444.
- 69. He reiterated his view that the adoption of the draft resolution did not prejudge his delegation's position regarding the revision of the Strategy as set out in operative paragraph 7.
- 70. Mr. HILLEL (Israel), referring to paragraph (68), said that his delegation had already stated in the Third Committee its position regarding the documents adopted at the Mexico Conference. His delegation also associated itself with the reservations that had been expressed by other delegations concerning paragraph (75) of the draft resolution.
- 71. Mr. CHANG Hsien-wu (China) said that his delegation had voted for the draft resolution, which was the outcome of the efforts made by the Group of 77 and which stated that colonialism, aggression, foreign occupation and all other forms of colonial domination constituted the major obstacle to the independent development of the developing countries, which were now facing the difficult task of breaking down the old international economic order and establishing a more equitable new order.
- 72. History had shown that there were no saviours in the world. The developing countries must consolidate their political independence and struggle for their economic liberation and must therefore persevere in their opposition to colonialism and imperialism, and particularly super-Power hegemonism. He recalled that in the course of the consultations one super-Power had resorted to all kinds of despicable tactics in a vain attempt to introduce its deceitful détente propagranda into the proceedings of the Second Committee. That attitude had exposed the ugly features of social-imperialism, whose attempt to sabotage

the work of the Second Committee had been frustrated. Now that delegation was trying to back down and create confusion in a futile attempt to convince the developing countries of the sincerity of its support.

- 73. Mr. ZACHMANN (German Democratic Republic), supported by Mr. KOSSEV (Bulgaria), said that the developing countries had stressed the constructive attitude of the socialist countries during the consultations held in recent days, and it was regrettable that the delegation of China should once again have used the Second Committee for selfish propaganda purposes.
- 74. Mr. CHANG Hsien-wu (China) said that a specific reference had been made to China, whereas in his previous statement he had confined himself to drawing attention to the tactics of one super-Power. Apparently, his comments had obliged the representative of a country which was subjected to the influence and control of that super-Power to ask for the floor in order to attack China directly. He expressed his condolences to the countries which were bullied in that way by a super-Power.
- 75. Mr. MAKEYEV (Union of Soviet Socialist Republics) said it was regrettable that the delegation of China, instead of co-operating in the establishment of a new international economic order, was using the United Nations for propaganda purposes. More progress could have been made in the informal consultations if the delegation of China had not done everything it could to spread propaganda against the USSR. The delegation of China believed that peace, détente and disarmament were lies reflecting treacherous schemes, while at the same time China was making territorial claims and including in maps of China parts of the territories of the Soviet Union, Mongolia, India and other countries. To say that disarmament and détente were a fraud was tantamount to denying the link between, peace, détente and development and denying the need to close the gap between rich and poor countries. That was not the view of the sponsors of the draft resolutions which had been considered. China believed it had a monopoly of the truth, but in fact it was alone in its opinion, whereas the Soviet Union was on the side of the great majority. The language used by the delegation of China was not suited to an international forum. In the years in which China had been a Member of the United Nations, it had done nothing constructive; it had merely protested and sought to create discord. However, the developing countries were interested in unity, not discord, and the United Nations was a body of unity. The interests of the developing countries did not coincide with those of China. It was high time to be done with calumny and insinuation and to begin working for justice and equality for all. Otherwise, there would be a risk of a confrontation whose consequences could not be foreseen. The countries which had suffered the terrible consequences of the Second World War and lost millions of their citizens in that conflagration were aware of the

importance of détente. The lessons of history should not be forgotten and it must be realized that the time had come to take constructive action.

- 76. Mr. CHANG Hsien-wu (China) said that the dispute had been provoked by the USSR, a country which was once again trying to sow confusion and reverse the roles by attacking China and displaying the disagreeable traits of Soviet social-imperialism. The Soviet Union claimed to defend internationalism, but practised hegemonism. It claimed to defend peace, but carried out acts of aggression and expansion throughout the world, going so far as to subdue an ally by force. It claimed to defend détente, but was creating tension everywhere and undermining the unity of the developing countries, especially in Africa. It claimed to provide assistance, but it exploited and plundered the developing countries and deceived the countries of the second world. Under the pretext of avoiding nuclear war and achieving disarmament, it was developing new weapons, manufacturing greater quantities of weapons and preparing to exercise world hegemony. The USSR was the greatest exploiter and oppressor in the international community and the most dangerous source of a new world war. That country was accusing China of claiming territory of neighbouring countries in order to sow discord between China and friendly countries and peoples. However, deeds spoke louder than words, and lies had no effect on China. China's foreign policy was known to all and China had friends everywhere. His delegation would redouble its efforts to denounce in all forums, and especially in the United Nations, the propaganda of the USSR, and that would be an important contribution by China to the Organization. In conclusion, he suggested to the Committee that it should, in its work, consistently unmask those who lied. The truth, and not lies, should prevail.
- 77. Mr. OCHIRBAL (Mongolia) drew the attention of China to the fact that all the delegates in the Second Committee represented sovereign countries and did not need China to help them draw conclusions or to tell them what was correct or incorrect. He therefore considered that the attitude of China was, to say the least, surprising.
- 78. The CHAIRMAN said that the Committee had thus concluded its consideration of item 65, on mid-term review and appraisal of progress in the implementation of the International Development Strategy for the Second United Nations Development Decade.

# Completion of the Committee's work

79. After an exchange of courtesies, the CHAIRMAN declared that the Second Committee had completed its work for the thirtieth session.

The meeting rose at 7.35 p.m.

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