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held on
Thursday, 22 October 1981
at 10.30 a.m.
New York

SUMMARY RECORD OF THE 21st MEETING

Chairman: Mr. ter HORST (Venezuela)

CONTENTS

- AGENDA ITEM 69: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued)
AGENDA ITEM 72: SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE (continued)
AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)

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The meeting was called to order at 10.45 a.m.

AGENDA ITEM 69: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued)
A/36/3 and addenda, A/36/8, 16, 19, 25, 37, 39, 45, 47, 116 and Corr.1, 141, 142, 144, 149, 232, 240, 260 and Add.1-2, 333, 356, 380, 418, 419 and Add.1, 421, 452, 466, 470, 475, 477, 483, 497, 528, 536, 538, 566, 567, 571, 572, 573, 576, 577, 584, 590, 591)

1. Mr. MANGOUTA (Congo) said, with reference to the International Development Strategy for the Third United Nations Development Decade, that Africa was the only continent in which many of the hopes raised by earlier global development strategies had been dashed, despite the efforts made by the specialized agencies of the United Nations; the magnitude of the task in the case of so many African countries was such that little had been accomplished. The earlier development strategies had, in many cases, actually increased the vulnerability of African countries, in spite of the continent's tremendous wealth of human and natural resources, which had included 20 per cent of the world's hydroelectric potential and almost 25 per cent of its uranium reserves.
2. The impact of the world economic recession was being felt most severely by the developing countries. Its impact could, however, be attenuated if the industrialized countries would agree on an equitable system of world economic relations. Only by restructuring the world economy on the basis of active multilateral co-operation and a fairer international division of labour could the domination of the weak by the powerful be ended. The demands of the developing countries were by no means unrealistically high.
3. His delegation was prepared to support any initiative designed, first, to promote international co-operation for development based on the launching of global negotiations on a unified approach to development problems and, secondly, to promote the economic and social development of the developing countries so as to narrow the existing disparity between developed and developing nations.
4. The Charter of Economic Rights and Duties of States was a most important document in the over-all strategy to establish a new international economic and political order. Moreover, the establishment of the new order would be the logical outcome of practical disarmament measures and the ending of the arms race. His delegation therefore supported the proposal that a sizable proportion of the \$16 million-a-second currently being squandered on the arms race should be reassigned to development purposes. It reaffirmed its support for the Lagos Plan of Action, an outstanding contribution by the Organization of African Unity to the United Nations efforts to solve the economic crisis which was undermining the very foundations of an obsolete international economic order. Finally, he expressed the conviction that the International Meeting on Co-operation and Development currently taking place at Cancun would contribute to the resumption of the North-South negotiations.
5. Mr. STEVENS (Belgium) said that as the views of the member States of the European Economic Community concerning several of the sub-items under consideration

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(Mr. Stevens, Belgium)

had already been expressed, he would confine himself to matters relating to the environment and human settlements.

6. Despite the current gloomy economic picture, which had caused interest in ecological matters to wane, it was important that the Stockholm Plan of Action should be implemented and updated. It was in the interests of the international community that UNEP should continue to stimulate and co-ordinate environmental research and action at the national and international levels. UNEP should not, of course, itself undertake operational activities. Indeed, given its financial situation, it could not do so. In that connexion he said that it was unrealistic to approve a \$120-million programme of activities for the biennium 1982-1983 when it was clear that contributions would not exceed \$80 million. Establishing a new fund or a new window would not result in a net increase in the total resources available for environmental activities.

7. His delegation hoped that, at its special session in 1982, the Governing Council would undertake a thorough review of UNEP's past and future activities. UNEP should remain the central co-ordinating body for all activities undertaken by the United Nations system in the field of the environment and any decentralization plans should be scrutinized with the utmost care: experience in other organizations had shown that the creation of field posts did not necessarily result in a reduction of headquarters posts. At the same time, his delegation would not necessarily be opposed to the transfer to the regions of certain responsibilities for project planning and implementation, provided that they were confined to clearly defined and purely regional and interregional activities. His delegation was opposed, for example, to the duplication that would result from the existence of both regional UNEP offices and environmental co-ordination units in the secretariats of the five regional commissions. In accordance with General Assembly resolution 32/197, primary responsibility for regional environmental activities lay with the regional commissions.

8. Turning to the question of human settlements, he said that shortage of housing remained one of the major constraints affecting the majority of the population in developing countries. The construction of human settlements had a favourable impact on economic and social development, stimulating employment, domestic capital formation and the indigenous manufacturing industries. His delegation was therefore keenly interested in the activities of the United Nations Centre for Human Settlements and welcomed the encouraging report of the Commission on Human Settlements (A/36/8). The general emphasis in the Centre's work programme for the biennium 1982-1983 and the medium-term plan for the period 1984-1989 was satisfactory. It was quite right that practical measures at the regional, subregional and national level should have priority over theoretical studies and projects. At the same time, the lack of clearly defined priorities among the various subprogrammes and projects was unfortunate.

9. He was gratified to note that a programme element relating to energy had been included in both the work programme for the biennium 1982-1983 and the draft medium-term plan. Energy was crucial to the development of human settlements and of a physical infrastructure for low-income communities. Belgium had considerable experience in the field of energy conservation and would be prepared to share it with any country interested.

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(Mr. Stevens, Belgium)

10. Finally, his delegation was glad to note that a section on evaluation had been included in each subprogramme. The internal project management system which was being established for technical co-operation should be extended to cover research and dissemination of data.

11. Mr. BENNOUNA (Morocco) said that the complexity of international relations and the economic interdependence of all countries made it essential for countries to co-operate with one another. The deteriorating world economic situation was having a particularly severe impact on the developing countries. The situation was aggravated by the reluctance of the economically advanced countries to institute a new international economic order. It was essential that the international community should solve the problems facing most of the world's population; the responsibility lay not only with the economically advanced countries but also with the developing countries which must pursue collective and individual self-reliance.

12. Although the new international Development Strategy was not entirely satisfactory, its implementation would obviate some of the difficulties that had arisen in the North-South dialogue. If the goals of the Strategy were to be achieved in Africa, action was required at three levels. At the international level, the economically advanced countries must demonstrate solidarity by setting aside 0.7 per cent of their GNP for international assistance; indeed, some countries had already achieved that target. At the regional level, Africa should receive financial, economic and technical assistance in order to implement the plans for the Transport and Communications Decade in Africa, the Industrial Development Decade for Africa, and the Regional Food Plan For Africa and the International Drinking Water Supply and Sanitation Decade. At the national level, countries like Morocco had placed emphasis on strengthening and extending the communications network and on developing rail, sea, air and land communications among African countries. His country had also taken the initiative in connexion with the project to establish a permanent link between Africa and Europe via the Straits of Gibraltar.

13. Turning to the question of industrialization, he said that his delegation would like to see greater co-ordination between UNIDO, ECA and OAU with a view to achieving the target of a 4 per cent growth rate in industrial production in Africa by 1990; it believed that UNIDO's programme should give more emphasis to operational activities. Industrial redeployment was also essential; it should, however, be accompanied by specifically national technological development in accordance with the Rabat Strategy adopted at the fifth Conference of Ministers of ECA in 1979. It was his delegation's hope that UNIDO would not be forced to adopt zero growth rate provisions for its activities.

14. His delegation associated itself with the disquiet expressed by previous speakers about world food and agriculture, with particular reference to the acute food difficulties of Africa. It was to be hoped that the food aid target of the new Food Aid Convention would be at least 10 million tons and that the resources of the International Emergency Food Reserve would be increased.

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(Mr. Bennouna, Morocco)

15. Morocco was committed to achieving the targets of the International Development Strategy at the national level. The aim of all its development plans was to reduce the inequalities between social classes and overcome regional differences. In its pursuit of self-sustained development, Morocco was convinced of the need for economic and technical co-operation among developing countries, which formed an important element of its foreign policy.

16. Miss HIDALGO (Costa Rica) expressed the conviction that the developing countries would make little headway in implementing their development programmes until the foundations of a new international economic order had been laid. In that connexion, the North-South dialogue and the global negotiations were of particular significance. International economic relations should no longer be considered a form of charity; accordingly, in the terminology used in negotiations such terms as "grant" and "assistance" should be replaced by "co-operation" and "partnership". The global negotiations should be seen as a collective effort by participants who were all on an equal footing.

17. The glaring inequalities between States were becoming more and more acute and only action on a grand scale could reverse that trend. While more and more money was being spent each year for military purposes, everyone knew that if only 5 per cent of world military expenditure could be diverted to official development assistance, it would be possible to achieve the objectives set forth in the International Development Strategy. Her delegation was concerned about the impact on détente and world peace of certain countries' plans to spend significantly more on armaments.

18. The reluctance of many industrialized countries to make the necessary adjustments to a changing world economy was inhibiting both the growth and the exports of developing countries. Between 1978 and 1980 the balance of payments of low-income petroleum-importing countries had been adversely affected by rising oil prices and recession in industrialized countries. One solution for those countries was to try to diversify their export production so as to take advantage of new patterns of demand for food and other primary products. Petroleum-exporting countries with surplus capital, and, indeed, all industrial countries, should strive actively to increase their imports from low-income countries and help with the marketing of their products.

19. The Common Fund for Commodities, which had been approved by consensus by the Conference on Trade and Development had not yet been ratified by the required number of countries, an example of how the trade and export earnings of the commodity-producing countries continued to be dependent on the actions of industrialized countries. At the same time, little or no progress had been made towards trade liberalization, and world commodity trade continued to be distorted by protectionism and price-support policies. Trade in services, on the other hand, lacked an integrated system of equitable international principles or agreements. In order to restore the impetus towards trade liberalization that had grown up after the Second World War, both domestic and external efforts were required to base policies on a broader concept of the benefits of trade.

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(Miss Hidalgo, Costa Rica)

20. Activities related to human settlements clearly played a key role in the economic and social development of a nation. Those activities were an integral part of the new International Development Strategy inasmuch as they affected food, housing, construction, land use and conservation, and the use of energy, all of which touched virtually every person in the world. The ultimate aim of good management of human settlements was to promote the well-being of the entire population, especially the poorest segments, and to ensure a fair distribution of the benefits.

21. Changes in the prices of energy had severe repercussions on the trade balance and the balance of payments of every developing country. As matters stood, however, oil-importing developing countries would exercise only a marginal influence on the energy future of the world, which would continue to be dominated by the policies and activities of the industrialized countries and oil-exporting countries with surplus capital. Developing countries currently represented only 14 per cent of world demand for commercial energy; a quarter of their total energy consumption still came from firewood and other non-commercial sources. Her delegation believed that it was of vital importance to plan energy utilization in accordance with the specific development objectives of each country and to encourage programmes aimed at replacing imported oil by national energy resources. For that reason, her Government accorded high priority to the development of hydroelectric energy, and was investing heavily in the search for new and renewable sources of energy; it had also received assistance for that purpose from the Agency for International Development. It was absolutely essential that the international financial institutions should provide funding for a comprehensive programme of domestic energy production which would bring about a more balanced energy market for the developing countries. Of equal importance were programmes for saving energy in which the real economic cost of energy was taken into account.

22. Growing poverty and unemployment were sources of social tension which could result in domestic and external conflicts and thereby threaten world peace and stability. Nevertheless, the current disquieting trends could be reversed by strengthening international co-operation and fostering constructive dialogue. With respect to international trade, Costa Rica strongly opposed protectionism; free trade in goods and services was essential to the developing countries' indigenous development processes and their capacity to repay loans. A great deal of effort was required to draw up practical and equitable agreements within the Integrated Programme for Commodities. Economic pressures in international relations, such as boycotts and economic blockades, should not be tolerated.

23. Her delegation also found it disquieting that while hunger and poverty continued to be the lot of a large segment of the international community, agricultural surpluses were being destroyed in the name of the laws of the market. A substantial increase in total investments was needed to bring about basic changes in the structures of production and trade, together with a larger flow of official development assistance to help the most needy countries. The future of world economic relations lay in new forms of integrated economic co-operation. The establishment of a new and coherent system of international relations was the principal challenge for the 1980s.

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AGENDA ITEM 72: SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE (continued)

24. Mr. OBIANG NDONG (Equatorial Guinea) said that his delegation wished to appeal, through the Committee, for the special assistance needed for his country's development. The economic and administrative structure of his country had been completely destroyed by the old régime; the new Government had found itself bereft of foreign exchange reserves, and business, schools and hospitals had been virtually paralysed. At the time of the most recent census, in 1964, the population had been around 400,000, but the growth rate of the population had considerably increased in the following decade; the population figures for his country used by international agencies were accordingly out of date. Under the former régime, hospitals had been reduced to a shambles, the literacy rate had fallen to 0.20 per cent, cocoa production had dropped from 40,000 metric tons in 1968 to 3,500 metric tons in 1979 and over 10,000 workers from neighbouring countries who had been responsible for three quarters of Equatorial Guinea's agricultural production had been expelled; that expulsion, together with the massive flight of nationals, had resulted in the total paralysis of productive activity and, consequently, of no foreign trade.

25. When 11 years of suffering ended, the new Government had appealed to the international community to help, and had been generously assisted by the United Nations system, humanitarian and financial institutions, and a great many countries. However, despite the resolutions adopted by the General Assembly at the thirty-fourth and thirty-fifth sessions, the situation in his country was still grave. In 1980 the value of imports had been three times that of exports, producing a deficit of 21.3 per cent in the balance of payments and increasing the external debt.

26. The Secretary-General, in the exhaustive report which he had submitted to the Committee on the situation in his country, had noted that Equatorial Guinea should be included in the list of the least developed countries. A series of reports of missions of the United Nations and its agencies testified to its needs. Equatorial Guinea had been given the status of least developed country on a provisional basis until December 1981. Taking into account the conditions he had described, his delegation was formally requesting that Equatorial Guinea should be recognized as one of the least developed countries and that until it was given that status, it should provisionally be given the same treatment as all the least developed countries. His Government hoped to obtain the support of the Member States for its request, which it felt a just one.

27. Ms. RODRIGUES (Mozambique) said that the Under-Secretary-General, Mr. Farah, in introducing the item on special economic and disaster relief assistance, had stressed the grave economic situation prevailing in Mozambique. In 1976 her Government had decided to implement mandatory sanctions against the illegal régime of Southern Rhodesia in accordance with Security Council resolution 253 (1968). The sanctions had created great economic hardship for her country, even though international assistance had been of some help. The removal of sanctions by the Security Council upon the accession to independence of Zimbabwe had brought only limited relief because of constant attacks on Mozambique by the forces of the racist régime of South Africa. Her delegation accordingly believed that it was the

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(Ms. Rodrigues, Mozambique)

duty of the international community to assist Mozambique to cope with the continuing economic burden entailed in the implementation of normal development projects and programmes.

28. Although the economic situation in Mozambique was showing some improvement, the country was still facing great difficulties. The prolonged drought of 1978/1978/79, the lack of essential agricultural inputs and the destruction caused by South African aggression prior to April 1980 had occasioned the loss of roughly 50 per cent of agricultural production. While normal rains in late 1980 and early 1981 had provided some relief, Mozambique still had to depend heavily on commercial imports because the serious food deficit was far from being met by the donations of food. While the budget for the previous two years had shown a small surplus, a deficit of \$US77 million was expected in 1981, on account of increased imports of capital equipment, constant increases in oil prices, world inflation and unexpected food imports. The external public debt was mainly attributable to past or ongoing investments in projects and studies for the economic development of the country.

29. Her country's needs for external assistance were primarily in the transport and telecommunications sector. The rehabilitation of Mozambique's transport system was of vital importance to Zimbabwe, Zambia, Malawi, Swaziland and Botswana, and substantial international assistance was badly needed. At the summit meeting in Lusaka of the Southern African Development Co-ordination Conference (SADCC), a decision had been taken to establish a Transport and Communications Commission of Southern Africa in Maputo. That Commission was now fully operational and was responsible for planning regional transport and communications projects and co-ordinating activities in those sectors so as to maximize the efficiency of the regional system. On 19 and 20 November 1981, the members of SADCC were to have a meeting with co-operative countries and international agencies in order to assess the progress and underlying difficulties in the implementation of the transport and communications projects, including projects directly concerning Mozambique; a critical exception was the rehabilitation of the key northern railway line from Nacala. She appealed to the international community to provide the urgent assistance needed by Mozambique in accordance with the Secretary-General's report (A/36/267).

30. Mr. ROJAS (Peru) said that his delegation was disturbed by the problems besetting the Office of the United Nations Disaster Relief Co-ordinator owing to its poorly defined mandate, lack of specificity in the technical co-operation programmes it had initiated and the absence of a governing body to guide its policies. Peru frequently experienced the devastating effects of natural forces, and his delegation knew how essential it was for the international community to have an agency for co-ordinating international assistance for countries affected by natural disasters.

31. The effectiveness of UNDRO could not be enhanced, however, by proposing methods of action which did not allow for individual States' decisions with respect to the type of help available from other Governments and international organizations. The mandate given to UNDRO by General Assembly resolution 2816 (XXVI) should be clarified by specifying a limit as to the type of disaster

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(Mr. Rojas, Peru)

to be handled by UNDRO and adding the criterion of "suddenness", as mentioned in the report of the Joint Inspection Unit (A/36/73). Technical assistance for disaster prevention might be channelled through UNDP and incorporated in the country programmes of the countries concerned, while keeping UNDRO as the executing agency. His delegation felt that the Trust Fund should be maintained as a channel for any voluntary economic assistance given by Governments and for direct co-operation which donors wanted to channel through UNDRO.

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

32. The CHAIRMAN announced that Egypt and Kenya had become sponsors of draft resolution A/C.2/36/L.6, Ethiopia of draft resolution A/C.2/36/L.7 and Kenya of draft resolution A/C.2/36/L.8.

The meeting rose at 12.15 p.m.