



SUMMARY RECORD OF THE 42nd MEETING

Chairman: Mr. OUDOVENKO (Ukrainian Soviet Socialist Republic)

CONTENTS

- AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)
- AGENDA ITEM 82: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued)
- (a) TRADE AND DEVELOPMENT (continued)
  - (b) IMPLEMENTATION OF THE SUBSIDIARIAL NEW PROGRAMME OF ACTION FOR THE 1980s FOR THE LEAST DEVELOPED COUNTRIES: REPORT OF THE SECRETARY-GENERAL (continued)
  - (d) ECONOMIC AND TECHNICAL CO-OPERATION AMONG DEVELOPING COUNTRIES (continued)
  - (e) ENVIRONMENT (continued)
  - (f) DESERTIFICATION AND DROUGHT (continued)

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The meeting was called to order at 3 p.m.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)  
(A/C.2/42/L.41)

Draft decision on the net transfer of resources from developing to developed countries (A/C.2/42/L.41)

1. Mr. SHAABAN (Egypt), Vice Chairman, said that it had unfortunately not been possible to reach consensus on the text of the draft decision, and that the Committee would therefore have to take a decision on the draft.

2. A vote was taken on draft decision A/C.2/42/L.41

Draft decision A/C.2/42/L.41 was adopted by 102 votes to 13, with 7 abstentions.

3. Mr. MARK (Denmark), speaking on behalf of the States members of the European Economic Community, said that the Twelve had been unable to support the draft decision for the same reasons which had led those among them which were members of the Economic and Social Council to oppose Council resolution 1987/93. They had serious doubts regarding the concept of net transfer of resources, since it was a concept which involved two different types of transactions and overlooked such important factors as the beneficial spinoff of investments and the impact of the outflow of capital. The study requested of the Secretary-General was moreover an incomplete analysis of complex economic relations, and it would be preferable to leave such analysis to the competent financial organizations.

4. The representatives of Bahrain, Ghana and Botswana said that if they had been present during the vote, they would have voted in favour of draft decision A/C.2/42/L.41.

AGENDA ITEM 82: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued)

(a) TRADE AND DEVELOPMENT (continued) (A/C.2/42/L.50, L.61, L.62, L.63, L.66 and L.67)

(b) IMPLEMENTATION OF THE SUBSTANTIAL NEW PROGRAMME OF ACTION FOR THE 1980s FOR THE LEAST DEVELOPED COUNTRIES (continued) (A/C.2/42/L.65)

(d) ECONOMIC AND TECHNICAL CO-OPERATION AMONG DEVELOPING COUNTRIES (continued) (A/C.2/42/L.55)

(e) ENVIRONMENT (continued) (A/C.2/42/L.37 and L.64)

(f) DESERTIFICATION AND DROUGHT (continued) (A/C.2/42/L.24, A/C.2/42/L.36 and L.60)

Draft resolutions on the consequences of the recent turmoil in the international financial and stock markets and its implications for the development of the developing countries (A/C.2/42/L.61), the Raúl Prebisch Foundation (A/C.2/42/L.62), the seventh session of the United Nations Conference on Trade and Development (A/C.2/42/L.63), and the United Nations Conference on the Least Developed Countries (A/C.2/42/L.65) and draft decision on the preparation of summary records for the seventh session of the United Nations Conference on Trade and Development (A/C.2/42/L.66)

5. Mr. AGUILAR HECHT (Guatemala), introducing draft resolution A/C.2/42/L.61 on behalf of the Group of 77, said that recent events on the financial markets had caused concern in the developing countries and that the United Nations should take a position on the question, particularly in the light of the consequences those events might have for the developing countries. Accordingly, the draft resolution urged the developed countries to orient their monetary and fiscal policies towards growth, lower real interest rates and resist protectionist pressures and other disruptive trade practices, and to take immediate steps to strengthen the import capacity of developing countries. The Trade and Development Board of UNCTAD was in addition requested to address at the second part of the thirty-fourth session the questions raised in the draft resolution.
6. Mr. ANDRADE-DIAZ-DURAN (Guatemala), introducing draft resolution A/C.2/42/L.62 on behalf of the Group of 77, said that the Group had wished to emphasize the importance of the establishment in Argentina of the Raúl Prebisch Foundation, named as a tribute to the first Secretary-General of UNCTAD and former Executive Secretary of ECLA. All States and relevant bodies, especially those within the United Nations system, were invited to support the Foundation in its activities.
7. Where draft resolution A/C.2/42/L.63 was concerned, the Group of 77, wishing to give effects to the results of the seventh session of UNCTAD, proposed that the General Assembly should take note of Trade and Development Board decision 350 and affirm the commitments made by member States to strengthen multilateral co-operation to promote and give effect to policies aimed at revitalizing development, growth and international trade. In the operative part, the Group of 77 had sought to emphasize that the Final Act had demonstrated that it was possible to initiate innovative international dialogue and, through responsible negotiations between developed and third world countries, to make real progress in co-operation for development. The application of the policies and measures embodied in the Final Act required sustained action by Governments, individually and collectively, and inputs from the competent international organizations. Finally, the United Nations system as a whole was invited to respond positively to the results of the seventh session of UNCTAD, so that the consensus finally arrived at should not remain a dead letter.
8. In draft resolution A/C.2/42/L.65, the Group of 77, which attached the highest importance to the holding of the United Nations Conference on the Least Developed Countries, had sought to emphasize the need to initiate preparations to that end and to involve the United Nations system as a whole in them. Preparation for a conference of that type required close co-ordination between the Secretary-General

(Mr. Andrade-Diaz-Duran, Guatemala)

and the Director General for Development and International Economic Co-operation, and of course the support of the Secretary-General of UNCTAD, as well as the mobilization and co-ordination of all United Nations bodies. He drew attention to a small error in the second line of paragraph 2, where the words "United Nations" should be inserted before "Conference on the Least Developed Countries".

9. Lastly, he introduced on behalf of the Group of 77 draft decision A/C.2/42/L.66, reading it out and stating that its adoption should not present a problem.

Draft resolution on the trade embargo against Nicaragua (A/C.2/42/L.67)

10. Mrs. ASTORGA (Nicaragua) said that her delegation felt obliged once again to request the international community to renew its appeal for the lifting of the trade embargo which the United States had persisted in imposing against Nicaragua since May 1985, in spite of General Assembly resolutions 40/188 and 41/164. The sponsors of draft resolution A/C.2/42/L.67, who had wished to submit a short, clear and simple text, based on the resolutions previously adopted, resolution 42/1 and the Judgment of the International Court of Justice of 27 June 1986 (as that date had been omitted in the draft resolution, it should be added in paragraph 1) deemed it essential that the United States should lift the trade embargo imposed on Nicaragua, because it constituted an arbitrary, unjust and illegal measure. Moreover, that means of economic pressure used for political purposes was contrary to the fundamental principles of international relations and to important United Nations resolutions and violated the 1956 Treaty of Friendship, Commerce and Navigation between Nicaragua and the United States. In addition, that measure cost Nicaragua very dear, as was shown by the report of the Secretary-General (A/42/583); it seriously compromised the country's development and would have incalculable repercussions on its production capacity

11. The lifting of the trade embargo against Nicaragua was a question of principle which could not be made subject to any condition. The United States had sought in vain to oppose it by advancing a variety of reasons which were not only alien to the debate in the Second Committee but had proved totally unfounded. Moreover, the maintenance of the embargo ran directly counter to the political and diplomatic efforts made by the countries of Central America since the signature of the Guatemala Agreement and the outstanding economic contribution which the international community was preparing to make in support of those peace efforts. If the United States wished, by gestures and not only by words, to support those efforts, it should first of all put an end to the embargo. It would then be in conformity with international law and the principles that should govern relations between States and would be rallying to the cause of peace, which would, unquestionably, gain it universal recognition.

Draft resolution on economic measures as a means of political and economic coercion against developing countries (A/C.2/42/L.50)

12. Mr. SHAABAN (Egypt), Vice Chairman of the Committee, announced that it had not been possible to reach a consensus on the draft resolution and that it was therefore for the Committee to take a decision on that text.

13. Mr. HARAN (Israel) said that draft resolution A/C.2/42/L.50 appeared at first sight to be quite convincing and seemed to merit practically unanimous support. On closer examination, however, that text aroused doubts, in particular for his own delegation, which, like perhaps none other, wished to prevent the use of coercive measures. All were aware that Israel had been one of the first victims of such measures, and the Arab boycott was too notorious for him to have to expatiate on it in the Committee. While it was perfectly legitimate to wish to prevent the adoption of coercive measures damaging to the economy of developing countries, it was surprising to see that, in paragraphs 2 and 3 of the draft resolution submitted, only the developed countries were invited to take action in that connection and that nothing was asked of the developing countries, some of which had, nevertheless, long experience in the matter. The Charter of the United Nations and the Charter of Economic Rights and Duties of States were invoked in the preamble of the draft resolution, which was used for the purpose of rewriting the official documents with which all Member States should comply. His delegation would not be answerable, in the Committee or elsewhere, for so partial a treatment of a subject of such importance.

14. A vote was taken on draft resolution A/C.2/42/L.50.

15. Draft resolution A/C.2/42/L.50 was adopted by 103 votes to 21, with 4 abstentions.

16. Mr. MARK (Denmark), speaking on behalf of the European Economic Community, said that the Twelve had been unable to support draft resolution A/C.2/42/L.50 because its sponsors had confined themselves to reproducing the provisions of resolution 41/165, which had been adopted following a similar vote at the preceding session. It was impossible to reach a consensus on a draft which proceeded in a pre-emptory and selective manner to define the rights and duties of States in international economic relations. The periodic resubmission of the same text could only damage the credibility of the work of the Committee.

17. Mr. STEBELSKI (Poland), speaking on behalf of the delegations of Bulgaria, the Byelorussian SSR, Czechoslovakia, the German Democratic Republic, Hungary, Mongolia, Poland, the Ukrainian SSR and the USSR, which had voted in favour of draft resolutions A/C.2/42/L.41 and L.50, said that those delegations had already amply emphasized the need to put an end to the net transfer of resources from developing countries to developed countries, particularly following the adoption resolution 41/180. Accordingly, they supported the activities undertaken by the Organization with a view to a systematic analysis of the different aspects of that phenomenon. They also unreservedly approved the initiative of the Group of 77 aimed at prohibiting the adoption of economic measures for the purpose of exerting

(Mr. Stebelski, Poland)

political and economic pressure on developing countries. If they really wished to improve international economic relations, States should stop using blockades, embargoes and other discriminatory and arbitrary measures, which currently affected not only the developing countries but also the socialist countries. The adoption by consensus of the Declaration on the Enhancement of the Effectiveness of the Principle of Refraining from the Threat or Use of Force in International Relations was gratifying, because it showed that there was a better perception of the need to reject coercive measures, in the economic field inter alia. The socialist delegations expressed the hope that the United Nations Secretariat and Member States would implement fully the principles set forth in that Declaration.

Draft resolution on an international conference on money and finance for development (A/C.2/42/L.52) and financial implications (A/C.2/42/L.68)

18. Mr. SHAABAN (Egypt), Vice Chairman of the Committee, said that it had not been possible to reach agreement on draft resolution A/C.2/42/L.52 in the course of the informal consultations.

19. Mr. AGUILAR-HECHT (Guatemala), speaking on behalf of the Group of 77, expressed regret that it had not been possible to take a decision on such an important question. The Group of 77 was convinced that it was necessary to convene such a conference and it would be desirable for the Secretary-General to undertake consultations on the matter. However, as no agreement had been reached on the draft resolution in the course of the informal consultations, the Group of 77 proposed that consideration of it should be deferred until the forty-third session of the General Assembly.

20. The meeting was suspended at 4.05 p.m. and resumed at 4.10 p.m.

21. The CHAIRMAN suggested that the Committee should postpone consideration of draft resolution A/C.2/42/L.52 to the forty-third session of the General Assembly.

22. It was so decided.

Draft decision on an international conference on money and finance (A/C.2/42/L.69)

23. Mr. AGUILAR-HECHT (Guatemala), introducing draft decision A/C.2/42/L.69 on behalf of the Group of 77, said that the sponsors hoped the Secretary-General would provide the desired information concerning the appropriateness of convening the international conference referred to in that draft decision.

Draft resolutions on the protection of the ozone layer (A/C.2/42/L.37 and L.64)

24. Mr. GAJENTAAN (Netherlands), Vice Chairman, announced that the informal consultations on draft resolution A/C.2/42/L.37 had resulted in an agreement which was reflected in draft resolution A/C.2/42/L.64; he therefore recommended that the latter should be adopted by consensus.

25. Draft resolution A/C.2/42/L.64 was adopted.

26. The CHAIRMAN said that, in view of the adoption of that draft resolution, he would take it that draft resolution A/C.2/42/L.37 had been withdrawn by its sponsors.

27. It was so decided.

Draft resolution on countries stricken by desertification and drought in Africa  
(A/C.2/42/L.24)

28. Mr. GAJENTAAN (Netherlands), Vice Chairman, said that, as the outcome of the informal consultations, agreement had been reached on draft resolution A/C.2/42/L.24, subject to the following amendments: (1) the order of the fifth and sixth preambular paragraphs should be reversed; (2) in the first line of the seventh preambular paragraph, the word "establishing" should be replaced by "convening"; (3) in the fifth line of that paragraph, "(COMIDES)" should be inserted after "Egypt and the Sudan"; (4) at the end of that paragraph, "which set up the COMIDES as a ministerial consultation mechanism" should be added; (5) in paragraph 3, after "Welcomes", the phrase "the progress made since" should be inserted; (6) in the third line of the same paragraph "continue to" should be inserted before "support"; (7) in paragraph 4, in the fourth line, the expression "ministerial conference" should be replaced by "ministerial conferences" in the French text; (8) in the third line of paragraph 8, before "transport", "and its" should be added. The following countries had joined the sponsors of the draft resolution: Austria, Botswana, Burkina Faso, Cape Verde, Central African Republic, Comoros, Côte d'Ivoire, Djibouti, Ecuador, Ethiopia, Ghana, Guatemala, Guinea-Bissau, Italy, Jamaica, Kenya, Lesotho, Liberia, Mauritania, Philippines, Sudan, Sweden, Togo, Yugoslavia.

29. Draft resolution A/C.2/42/L.24, as orally revised, was adopted by consensus.

30. Mr. FALL (Senegal) thanked delegations on behalf of the sponsors of the draft resolution for the interest they had shown in the problem of desertification and drought.

Draft resolutions concerning the Plan of Action to Combat Desertification  
(A/C.2/42/L.36 and L.60).

31. Mr. GAJENTAAN (Netherlands), Vice President of the Committee, said that two amendments should be made to draft resolution A/C.2/42/L.60. In section B, paragraph 8, the phrase after "Plan of Action" should be deleted. In section D, the phrase "the implementation of resolutions 42/\_\_\_ A, B and C" should be replaced by "the implementation of sections A, B and C of this resolution". He also announced that agreement had been reached on that draft resolution during the informal consultations and recommended that it should be adopted by consensus.

32. Draft resolution A/C.2/42/L.60, as amended orally, was adopted.

33. The CHAIRMAN said that in view of the adoption of draft resolution A/C.2/42/L.60, if he heard no objection he would take it that draft resolution A/C.2/42/L.36 had been withdrawn by its sponsors.

34. It was so decided.

Draft resolution on co-operation between the United Nations and the Southern African Development Co-ordination Conference (A/C.2/42/L.55)

35. The CHAIRMAN announced that the Libyan Arab Jamahiriya and New Zealand had joined the sponsors of the draft resolution.

36. Mr. CAHILL (United States of America), speaking in exercise of the right of reply, said that the Second Committee was one of the United Nations bodies which had been able to study fundamental questions and obtain practical results in the interests of all Member States. The discussions had made it possible to reach agreement on important questions such as special economic programmes, problems of development and international trade. His delegation had hoped to maintain that constructive impetus. In particular it had wished to show those who criticized the United Nations that important work was done by that Organization.

37. Unfortunately, some delegations had decided that such efforts should give place to repetitive political rhetoric. All delegations had of course the right to express their views and even the duty to do so. In an appropriate forum, the United States would willingly refer to and defend the trade embargo imposed by his country on the Sandinist régime. However, as he had repeatedly said, the Second Committee was not the proper forum for such discussion. He regretted that precious time should be devoted to a question which was not the Second Committee's province and to the adoption of a decision which would not be in the general interest.

The meeting rose at 4.45 p.m.