



SUMMARY RECORD OF THE 6th MEETING

Chairman: Mr. NAVAJAS MOGRO (Bolivia)

later: Mr. FERNANDEZ (Philippines)

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Distr. GENERAL
A/C.2/43/SR.6
18 October 1988
ENGLISH
ORIGINAL: SPANISH

The meeting was called to order at 10.10 a.m.

ELECTION OF THE VICE-CHAIRMAN

1. The CHAIRMAN said that the African States had nominated Mr. Eloho E. Otobo (Nigeria) for the office of Vice-Chairman of the Committee.
2. Mr. Otobo (Nigeria) was elected Vice-Chairman by acclamation.
3. Mr. BOECK (Austria), speaking in his capacity as Chairman of the Group of Western European and Other States for the month of October, congratulated all members of the Bureau and said that the Group regretted that it had not been able to nominate, during the current year, a candidate for the office of Vice-Chairman of the Second Committee and hoped to be able to do so at the next session.

GENERAL DEBATE (continued)

4. Mr. ZIARAN (Islamic Republic of Iran) said that since the forty-second session of the General Assembly, the international economic situation had shown no noteworthy trend beneficial to the developing countries.
5. Because of the measures adopted by the developed countries, the constant reduction in the prices of commodities and raw materials, especially oil, since 1982, in comparison to the prices of manufactured goods, had severely deteriorated the terms of trade and had impeded the development of the developing countries. The situation of commodities, the only source of income for the developing countries, required concerted action to boost and stabilize commodity prices and the application of the Agreement Establishing the Common Fund for Commodities as soon as possible. In that connection, he urged the reduction of protectionism against the exports of developing countries and added that, if those exports were facilitated, that would increase the capacity of the markets of the developing countries to absorb manufactured goods from developed countries.
6. The dream of the North-South dialogue had not been realized. As a result, economic and technical co-operation among developing countries must receive due attention in order to mitigate the unfavourable conditions in the world economy.
7. Another issue of great concern in the international economic order was the problem of growth. Developing countries were faced with stagnation or sluggish growth. In order to reduce the gap between the rich and the poor countries, accelerated growth in the latter group should be facilitated.
8. Despite the efforts made to date, the problem of indebtedness persisted. In recent years, the difference between foreign debt repayment, on the one hand, and the gross national product and export earnings of the developing countries, on the other, was increasingly greater, and in the past five years financial resources to developing countries had been reduced by half of what they had been before. The austere adjustment measures proposed by the international institutions had not only

(Mr. Ziaran, Islamic
Republic of Iran)

failed to stimulate domestic investment and productive capabilities for development but had restricted the social budget, which affected the poorest strata of the population of developing countries. In that connection, it was necessary that both debtors and creditors show more responsibility and flexibility.

9. With respect to the international development strategy for the fourth United Nations development decade, it should be noted that the majority of the targets set in the previous strategies had not been met. For that reason, in the formulation of the new Strategy it would be necessary to make an assessment of the previous Strategy and to take into account new elements of the current international economic situations.

10. With regard to the environment, there was clear understanding of its importance for the existence of mankind and sustainable development. Mankind could no longer live in prosperity in a polluted environment.

11. Finally, as long as major critical international economic problems were not solved, there would be neither peace, security nor prosperity. As the Secretary-General of the United Nations had stated, global problems required global solutions based on global negotiations. That criterion should be applied to the important economic field in order to make it possible to overcome the world crisis and live in peace, security and prosperity.

12. Mr. PEJIĆ (Yugoslavia) said that the improvement in the international political climate and the strengthened role of the United Nations called for the urgent opening of a dialogue on the acute problems affecting international economic relations, particularly the reactivation of growth and development in developing countries. Through joint efforts and mutual understanding it would be possible during the current session to achieve progress in the search for solutions to outstanding international economic problems.

13. However, trends in the world economy gave no cause for optimism for the majority of the developing countries. While the developed countries had managed to sustain a relatively stable growth, although that was not sufficient to create conditions more favourable for growth in the developing countries, external imbalances among the major developed countries were a source of continued uncertainty, which did not facilitate the necessary structural reforms in developing countries.

14. The continued polarization between developed and developing countries was one of the major dangers facing the future of mankind. The least developed countries, African countries and the major debtor countries, bore the brunt of the hardships. The disastrous consequences of that trend were increasingly being recognized, although no effective international action had been taken to counter it. The global problems of an interdependent world required consultations and co-ordination and the broadest possible dialogue between developed and developing countries.

(Mr. Pejić, Yugoslavia)

15. Those objectives could be achieved only if there was an elimination of obstacles such as poverty, the external debt, negative transfer of resources and protectionism, which impeded the economic recovery and long-term development of the developing countries. An important measure in promoting that dialogue would be the convening of a special session of the General Assembly, as proposed by the Group of 77.

16. The external debt of the developing countries continued to be the major economic problem of today's world. That problem also had an ethical dimension and was a serious threat to world stability. In addition, that was the major obstacle to the revival of the world economy as a whole. Fortunately, a more realistic and pragmatic approach to the solution of the problems of external debt was evolving, and some measures had been adopted to achieve partial solutions. In that connection, special reference should be made to the proposals submitted at the summit meeting held in Toronto, which Yugoslavia welcomed.

17. Yugoslavia also commended the positive initiatives set forth by some creditor countries in the general debate in plenary session as well as those submitted at the recent meeting of international financial institutions held in Berlin.

18. The debt burden had been shouldered almost exclusively by the developing countries; yet those countries still took no part in international economic decision-making processes. The developing countries had introduced the necessary adjustment policies, but those policies had their economic, social and political limits. Those limits had apparently been reached, and unilateral suspensions of interest payments seemed to indicate that in some cases they had already been exceeded. Dialogue between all the parties involved was urgently needed in order to ensure sustained growth and a revival of development in the developing countries. Solutions to the external debt problems of developing countries should be based on development, within the framework of an integrated, co-operative, growth-oriented strategy, as proposed at the seventh session of UNCTAD. That position had also been reaffirmed in United Nations General Assembly resolutions. It was becoming increasingly clear that the position must include reduction of the debt and debt servicing.

19. Two years after the launching of the Uruguay Round of multilateral trade negotiations, the international trade system had not changed and was not helping to facilitate exports from developing countries. Protectionist pressures were on the rise and developing countries were finding it increasingly difficult to sell on the developed countries' markets. It was to be hoped that the forthcoming meeting for a mid-term review of the Uruguay Round, to be held in Montreal, would give fresh impetus to multilateral trade negotiations and create better conditions for international trade.

20. The environment had become one of the central issues of international co-operation. In his statement in plenary session, Yugoslavia's Minister for Foreign Affairs had explained his country's concerns and expectations in that

(Mr. Pejić, Yugoslavia)

area. The problem of the environment called for joint action by all concerned, and the role of the United Nations was irreplaceable in that regard.

21. Natural disasters affected millions of people. In the course of the current year Bangladesh had suffered floods, hurricane Gilbert had struck Jamaica and Mexico, and drought and locusts had devastated Africa. The developing countries were unable to cope with such disasters unaided. It was therefore necessary to strengthen the catalytic role of the United Nations in enabling the international community to show solidarity with the victims and seek to ensure that such disasters did not recur.

22. A long-term perspective was required for the solution of all those problems. The international development strategy for the fourth United Nations development decade must serve that purpose. Agreement on its guidelines must be reached at the current session of the General Assembly.

23. The numerous tasks before the United Nations in the economic and social spheres called for greater effectiveness and efficiency. Important progress in those areas had been made at the July 1988 session of the Economic and Social Council, through the adoption of a resolution on the revitalization of the Council.

24. In conclusion, he referred once again to the importance to the current session on account of the new atmosphere in which it was taking place. If the hopes of progress in the economic sphere materialized, the result would be an increased faith in multilateralism, which was an essential element in providing answers to the global challenges facing the world.

25. Mr. KRIZHANOVSKY (Ukrainian Soviet Socialist Republic) said that international relations were currently developing in a framework more conducive to dialogue and in an atmosphere of greater responsibility, on account of the growing awareness of the interdependence between countries. The political climate had benefited from the initiation of the process of détente resulting from the signing of the treaty on intermediate-range nuclear weapons. The agreement signed the previous summer in Luxembourg between CMEA and the European Economic Community, which would facilitate trade of all types between those two groups of countries with different economic systems, would undoubtedly have positive consequences for Europe and for the world in general.

26. The report presented to the Economic and Social Council by the Under-Secretary-General for International Economic and Social Affairs, which was contained in document E/1988/50, indicated that in 1987 there had been imbalances in the development of the world economy. Stagnation in some countries and regions had coincided with a diminished growth rate in others and with growth in a third group of countries. But in most of the developing countries the situation had worsened on account of the inequality in the terms of trade and the intensification of the external debt problem. The short-term forecasts for 1988 and 1989 were not very optimistic. Another report that must be considered was the one entitled

(Mr. Krizhanovsky, Ukrainian SSR)

"Overall socio-economic perspective of the world economy to the year 2000" (E/1988/62). One of its main conclusions was that, because of the increased level of interdependence, only through joint efforts would it be possible to overcome the negative trends related to underdevelopment, the oppressive debt burden, financial imbalances and the instability of parameters such as exchange rates and interest rates.

27. His delegation considered that there was an undeniable link between disarmament and development, and advocated urgent measures to transfer to the developing countries resources that might be freed through disarmament.

28. Regional economic co-operation had had some influence on the universal dialogue on economic problems. Mention should be made of the role played by the United Nations Economic Commission for Europe as a means of resolving practical questions relating to trade and to technical and scientific co-operation between countries with different economic systems. The Commission was encouraging East-West collaboration, dealing with questions related to the Helsinki Final Act and preparing strategies for the protection of the environment, thereby providing a good example of pan-European co-operation which might be considered a model for other regional organizations.

29. Conspicuous among the global problems confronting mankind was the ecological problem, a veritable time bomb which was endangering nature and threatening the very bases of human existence with gradual destruction. The socialist countries were attempting to promote initiatives within the United Nations for the protection of the environment and a more rational utilization of natural resources. The Ukrainian SSR supported the initiative of the Executive Director of UNEP in convening a meeting of a group of experts to prepare and develop the concept of "international ecological security". Experience to date indicated that a multidisciplinary focus and participation by all the United Nations agencies were necessary to prepare the medium-term programme for 1990-1995, which contained a section devoted to the topic "Peace, security and the environment". The importance that the socialist countries attributed to those matters was revealed in the document prepared by the Political Consultative Committee of the Warsaw Treaty entitled "The Implications of the Arms Race to Natural Environment and Other Aspects of Ecological Security".

30. Finally, he referred to the political reforms currently under way in his country, the main objective of which was to intensify economic and social development and technological renewal in two major directions: democratization of all spheres of social life, and radical economic reform. He stressed the increased financial autonomy of enterprises, which already affected 60 per cent of the Republic's industrial capacity, and the greater flexibility of trade links with the outside world, a factor favoring the climate of international co-operation. He expressed the hope that the Second Committee would not only make a more in-depth study of international economic problems but would also establish a constructive dialogue the outcome of which would be mutually advantageous decision-making.

31. Mr. TANIGUCHI (Japan) said that the current session of the General Assembly was beginning amid encouraging signs that the United Nations was regaining its prestige; the most recent sign was the fact that the Nobel Peace Prize had been awarded to the Organization's Peace-Keeping Forces. However, the United Nations was also expected to play an even more active role for the betterment of the international community in the economic and social fields. His delegation reaffirmed its full support for the reform measures contained in General Assembly resolution 41/213. Although the Special Commission of the Economic and Social Council had been unable to fulfil its mandate, its final report and the resolution on rationalizing the work of the Council adopted at the Council's summer session contained many valuable ideas for rationalizing intergovernmental structures in the economic and social fields; Japan hoped that an agreement would be reached on substantive reform. In that connection, it should be pointed out that some delegations which had had the privilege of being elected members of certain intergovernmental bodies had not always attended meetings, and that the participation rate in some bodies, even such an important body as the Economic and Social Council, was very low. A more serious commitment was essential to reverse that trend.

32. In the economic and social fields, the United Nations was expected to respond flexibly and strive to be more innovative in addressing constantly changing needs and to pursue and strengthen its unique role in order to send a sufficiently forceful message to the international community.

33. While the world was experiencing a welcome trend towards less ideological, political and military conflict, the environmental crisis was growing worse, with such problems as the proliferation of hazardous wastes and depletion of the ozone layer. The United Nations must promote multilateral co-ordination through such organizations as UNEP, UNDP, the World Bank and OECD. The international community had a collective responsibility to protect the environment and, in particular, to break the vicious cycle of poverty and ecological destruction, which was aggravated by such practices as the reckless expansion of tropical deforestation and the dumping of hazardous wastes in coastal waters.

34. He was pleased to announce that his Government had acceded on 30 September to the Vienna Convention for the Protection of the Ozone Layer and had accepted the Montreal Protocol on Substances that Deplete the Ozone Layer. His delegation welcomed the fact that many countries, the United Nations system and other organizations had launched a review of their policies, programmes and activities aimed at promoting sustainable development, as recommended in the report of the World Commission on Environment and Development. Japan, which was studying specific methods of assessing and incorporating environmental factors in its development aid programme for developing countries, would examine with interest the proposal to convene an international conference on the environment to consider possible collective measures to be taken on a world-wide scale.

35. Following the adoption by the General Assembly of resolution 32/169 on the International Decade for Natural Disaster Reduction, serious national calamities had occurred in Bangladesh, Mexico, Jamaica and other Caribbean countries, in

(Mr. Taniguchi, Japan)

addition to the drought and desertification afflicting Africa. In 1987, 93 countries had co-sponsored General Assembly resolution 42/169 but only 2, unfortunately, had been so-called developed countries, namely France and Japan. At the current session, however, several speakers, including President Mitterand of France, Sir Geoffrey Howe, Secretary of State for Foreign and Commonwealth Affairs of the United Kingdom, and Mr. Genscher, Minister for Foreign Affairs of the Federal Republic of Germany, had stated in the General Assembly that natural disaster reduction was one of the most important and urgent issues facing the United Nations. His Government, which was co-operating in the financing of the ad hoc Group of Experts, endorsed that view and was considering the possibility of hosting the fourth session of the Group of Experts at Tokyo in the spring of 1989. At the current session, the General Assembly was to discuss the content and modalities of United Nations participation in the international decade, and his delegation would make more detailed comments when that item was discussed.

36. Turning to the debt problem, his delegation regarded as essential the efforts being made to promote case-by-case solutions based on a correct understanding of the situation in each developing country.

37. There was no universal panacea for the debt problem. In the case of middle-income countries, it was necessary to promote a market-oriented strategy based on self-help efforts by those countries with the co-operation of commercial banks, Governments of industrial countries and multilateral financial institutions. With regard to low-income debtor countries such as those of sub-Saharan Africa, every effort should continue to be made to ease the debt burden further through various measures such as rescheduling of the official debt and expansion of the grant element in development assistance to such countries. For the period 1987-1989, Japan was providing low-income developing countries with non-project-type untied grant assistance amounting to \$500 million to meet their need for foreign exchange as a result of their implementation of structural adjustment measures.

38. Japan had also decided to adopt new measures to alleviate further the debt burden of low-income developing countries. In accordance with those measures, loan aid amounting to approximately \$5.5 billion committed to the least developed countries between fiscal years 1978 and 1987 would be virtually cancelled through the provision of grant assistance. Furthermore, as already announced at the 43rd annual meetings of the International Monetary Fund and the World Bank, Japan was prepared to extend additional financing to middle-income debtor countries in the form of untied loans, in parallel with IMF arrangements, as part of its contribution to promoting growth in those countries and helping solve the debt problem.

39. As for the financial recycling scheme of more than \$20 billion announced by Japan in 1987, more than 70 per cent had already been implemented on a commitment basis.

(Mr. Taniguchi, Japan)

40. His delegation expressed its appreciation to the Secretary-General for his initiative in convening informal consultations among eminent persons on the debt problem in September 1988. His delegation had been particularly impressed by the fact that the Secretary-General had presided over those meetings despite his deep involvement in the talks on the conflict between Iran and Iraq.
41. With regard to assistance to Afghan refugees, Japan was pledging an initial contribution equivalent to \$60 million to the Office of the United Nations High Commissioner for Refugees, the World Food Programme and other United Nations agencies. It would also consider the possibility of making a further contribution, for instance, through the United Nations Afghan Emergency Fund.
42. Turning to the international development strategy for the fourth United Nations development decade, his delegation believed that the decade, if proclaimed, should put forward innovative ideas and new approaches which only the United Nations could devise or apply, rather than be a mere continuation of the previous three Decades, in order to ensure meaningful preparation for the next century.
43. Mr. MARINOV (Deputy Secretary, Council for Mutual Economic Assistance (CMEA)) said that the international political situation had reached a turning-point as a result of growing political understanding in the world and, above all, the fact that the nuclear disarmament process had moved ahead from the discussion stage to that of practical action with the adoption of the Treaty on the Elimination of Intermediate-Range and Shorter-Range Missiles between the Union of Soviet Socialist Republic and the United States of America. Positive changes had also occurred with the settlement of bloody conflicts, largely through the efforts of the United Nations, the Security Council and the Secretary-General.
44. He was deeply convinced that, at the same time as performing its noble peace-making mission, the United Nations could make fuller use of its potential in other areas, including the solution of existing social and economic problems. CMEA member countries considered it necessary to make constructive efforts to improve the international situation and to achieve further progress in the consolidation of peace and security - especially in the sphere of nuclear disarmament - and in the development of confidence and all-round international co-operation. The comprehensive system of international peace and security proposed by CMEA assigned to the United Nations a leading role in the establishment of civilized, safe relations and in the promotion of international co-operation in the political, military, economic, humanitarian and ecological spheres. CMEA supported the radical restructuring of the whole system of world economic relations on a just and democratic basis, the establishment of a new international economic order and the achievement of economic security for all States. In that regard, he noted the efforts made by the Secretary-General to develop further the concept of international economic security in accordance with General Assembly resolution 42/165. CMEA member countries were prepared to contribute to those efforts, from defining the general concept to identifying specific problems about which broad agreement had been reached.

(Mr. Marinov)

45. CMEA also supported the proclamation of the 1990s as the United Nations fourth development decade and the preparation of a new international strategy for that period which would focus on the establishment of favourable external conditions for the social and economic development of all States and cover all spheres of international economic co-operation.

46. Development problems were closely related to the problems of strengthening peace, disarmament and international security, including ecological security. CMEA advocated a radical change in political thinking and international practice, a just international division of labour, the adoption of drastic measures to avert the further aggravation of the plight of developing countries and the exercise of the latter's inalienable sovereignty over their natural resources.

47. External indebtedness had become a very serious problem for many countries, especially developing ones. A global, just settlement of that problem should include, *inter alia*, such elements as stable economic development for all countries; a reform of the international monetary system and the establishment of more stable exchange rates; restrictions on the outflow of resources from developing countries; reduced interest rates on loans and credits; the elimination of protectionist measures; and a more flexible approach to solving debt problems with due regard for the specific circumstances of each country.

48. The socialist countries considered it their duty to pursue their policy of wide-ranging economic co-operation with all developing countries on the basis of mutual benefit and full equality. They currently provided bilateral and multilateral economic and technical assistance to over 100 developing African, Asian and Latin American countries. In keeping with the agreements on multilateral co-operation signed with Nicaragua, Mozambique, Angola, Ethiopia, Democratic Yemen, Afghanistan, Iraq and Mexico, over 100 projects in various sectors had been agreed upon and were being implemented. Substantial assistance was also being given to developing countries in training their national personnel; between 85,000 and 90,000 citizens from over 100 developing countries were studying annually at higher and secondary specialized educational institutions in CMEA member countries and nearly 15,000 were receiving vocational training.

49. The socialist countries consistently supported the African States and were implementing the measures under the United Nations Programme of Action for African Economic Recovery and Development. With their assistance, over 2,000 industrial and other enterprises had been built in the developing countries of Africa and nearly 400 new projects were being implemented or would be launched in the future. African countries received 40 per cent of the assistance provided by CMEA to developing States.

50. The current expansion of world economic ties demanded that mutual relations among States belonging to different socio-economic systems be enriched, that new forms of economic, scientific, technical and production spheres be introduced and that obstacles to the expansion of mutually beneficial economic relations be removed. The dynamic development of science and technology demanded that

(Mr. Marinov)

international scientific and technological co-operation assume global proportions, and CMEA was prepared to make a tangible contribution to the preparation and implementation of a single global programme in that field.

51. The joint declaration on the establishment of official relations between the Council for Mutual Economic Assistance and the European Economic Community was an important landmark in the improvement of political and economic relations between East and West embodying fresh approaches and new thinking. The signing of that declaration would promote relations between the two major economic groupings and pave the way for mutual co-operation in areas of common interest.

52. The socialist countries believed that the prevention of a nuclear war had been and remained the main focus of environmental protection measures and was linked to the concept of international ecological security. They appreciated the activities carried out in that area by the United Nations, specifically the United Nations Environment Programme, and by the World Commission on Environment and Development, which had proposed that ecological problems should be considered not in isolation, but in conjunction with the problems of war and peace, disarmament and development, the elimination of backwardness and poverty and the achievement of world security in all its aspects.

53. On the eve of the fortieth anniversary of CMEA, its member countries were handling responsibly the task of accelerating their development. The national income of practically all those countries had increased in 1987, mainly as a result of greater manpower and efficiency and more efficient use of material resources. Industrial output as a whole had increased by 3.6 per cent over 1986. Some economic development problems remained to be solved, however. Practically all CMEA member countries were now engaged in an important process of improving economic structures and management and solving urgent problems in that field. On the basis of decisions taken by their party congresses and conferences and their supreme State bodies, CMEA countries were introducing broad changes in their political and economic structures. External economic activities were also part and parcel of those changes.

54. Alongside that process, co-operation between the member countries of CMEA was being improved. At the 43rd (extraordinary) and 44th meetings of the CMEA session, important decisions had been adopted on restructuring the mechanism of co-operation and socialist economic integration. Those decisions were aimed at further developing specialization and deepening co-production by CMEA member countries on the basis of the concept of the international socialist division of labour.

55. Measures were also being taken to enhance the role of economic leverage, and to improve the pricing system and monetary-financial and credit instruments with the aim of making national economies more efficient and better balanced. The improvement of the co-operation and integration mechanism was not only an important factor of the political and economic life and socio-economic development of CMEA member countries, but also a factor that increased their contribution to broadening

(Mr. Marinov)

and enriching mutual relations between States belonging to different socio-economic systems, to the introduction of new forms of economic, scientific and technological co-operation and to the removal of obstacles on the road to mutually beneficial economic relations.

56. Mr. WOLFF (Colombia) said that the circumstances of the world political and economic situation prompted reflections which went beyond mere diagnoses. It was necessary, in particular, to identify the elements which could help establish the foundations for solving the difficulties afflicting the world.

57. In the debate, there had been discourses about the situation of the international economy and the indisputable failure of the strategies applied during the current decade. The loss of time and opportunities represented by the errors and, in particular, by the incomprehensible refusal of the leader countries to find a point of equilibrium which would make collective well-being possible, had also been stressed. His delegation was prepared to initiate a constructive and realistic dialogue, convinced that it was necessary to follow up on the successes achieved in the political field. In that respect, he noted that at a time when there was a tendency to détente in armed conflicts, it was to be hoped that attention would shift to economic difficulties.

58. The observations made by some of the representatives of developed countries demonstrated clearly that their priorities were to seek solutions in areas such as the environment, the participation of women in development, old age, combating AIDS and other such concerns. There was absolutely no connection between those interests, albeit legitimate and worthy, and the reality of the developing world. In the developing countries the problems were above all hunger, ignorance, unemployment, poverty, injustice, the shortage of financial resources, social imbalances and the scourge of political instability which made their systems fragile and transitory.

59. In the conclusions adopted at the conference on extreme poverty held recently in Cartagena it had been noted that 170 million inhabitants of Latin America and the Caribbean (over 40 per cent of the population of the region) were living in conditions of poverty because they could not meet their fundamental needs; of that total, 71 million were living in extreme poverty, since their income did not enable them to cover even their need for food. In some countries, the incidence of poverty was over 70 per cent and in Central America it was 65 per cent; moreover, the situation was rapidly deteriorating: in the current decade the number of poor people had increased by some 25 per cent. According to the conclusions of the conference, the increasing impoverishment of the region and the widespread deterioration of the standard of living of most of the population were not accidental or transitory, but the result of historical and structural conditions at the domestic and international levels.

60. He was not opposed to initiatives with regard to the environment or the demands of women and the elderly, but wondered what purpose was served by protecting the environment while millions of people were abandoned and dying in

(Mr. Wolff, Colombia)

Asia, Africa and Latin America. Similarly, AIDS was a horrible scourge, but so were the illnesses and epidemics which afflicted the underprivileged of the world in the poor countries. Meanwhile, the enormous illegal traffic of arms which undermined peace and the most sacred rights of the peoples was being hypocritically ignored and cynically sponsored. Colombia would therefore submit for the consideration of the General Assembly a draft resolution condemning, defining and limiting the illegal traffic of weapons.

61. He also pointed out to those who believed that the true problems of the world could be anything other than the search for immediate solutions and that it was not worth having a world without environmental pollution if the human beings who inhabited it did not live in decent conditions or have the most elementary right: life itself. His delegation could not accept the argument that the methods of work at the United Nations made it impossible to change the established order of priorities.

62. The developing world could not continue indefinitely as a beggar, seeking relief from the problem of debt, better prices for its natural resources, the opening of markets to be able to export or the supply of financial resources; it must be aware of its own responsibilities and begin to struggle for itself. The developed world, for its part, must open the way to the developing world and allow it to show to what extent it was capable of resolving its own problems.

63. The atmosphere of détente currently prevailing in the world should help consolidate positive action to secure equilibrium in the world economy. His delegation supported the proposal made by the Ministerial Meeting of the Group of 77 that a special session of the General Assembly should be held in 1990 in order to consider ways of reactivating development and economic growth. That session should give new impetus to the North-South dialogue, establish trade flows which would enable the developing countries to market their products, identify machinery to guarantee just and remunerative prices for their raw materials and natural resources, find appropriate channels for the transfer of technology in order to increase competitiveness, and seek ways of making the training of their human resources an essential aspect of recovery.

64. Mr. Fernández (Philippines) took the Chair.

65. Mr. RAKOTONAIVO (Madagascar) said that, while at the political level, the atmosphere of détente, progress in nuclear disarmament and rapprochement between the great Powers offered the hope of positive change in international relations, at the economic level the absence of real political will to solve the problems of development was surprising. The imbalances in the distribution of wealth and of scientific and technological resources had never been so marked. Some 25 per cent of the population of the world controlled four fifths of world income. Never, however, had the awareness of those disparities been so acute. The situation of the third world, stifled by debt and the cumulative deterioration of the terms of trade, was characterized by a regression in the development process, the deterioration of social indicators, negative transfers of income and the disastrous

(Mr. Rakotonaiyo, Madagascar)

devaluation of their currency. Demographic expansion, natural disasters, the decline in productivity, the growth of unemployment and the decline in real income had exacerbated poverty, malnutrition, political instability and juvenile unrest. The prospects of remedying the situation would not improve as long as the market economy developed countries failed to reduce budgetary imbalances, deficits on current accounts and interest rates. The countries of the North were increasingly retreating within economic, financial and commercial blocs within which they granted exclusive preferential treatment.

66. There had been significant changes in the development strategy in recent years. From the satisfaction of basic needs it had passed to growth-oriented adjustment. Unfortunately, adjustment policies had not had the expected results. Currently, it was widely acknowledged that pressing human needs were not taken into account and that the burden of such policies fell disproportionately on the poorest segments of society. There was therefore reason to ponder the obvious links which existed between growth, structural adjustment and the alleviation of poverty, and to strive to achieve a satisfactory balance between those three development imperatives. The donor countries and the international institutions played a primordial role in that regard. Among the important initiatives adopted were: the general capital increase, the establishment of a multilateral investment guarantee agency, the extension of the enhanced structural facility, the establishment of a new compensatory and contingency financing facility and the improvement of credit arrangements.

67. The debt problem, which continued to be the main cause of concern at the world level, could not be overcome through recourse to traditional debt-rescheduling measures. A bolder strategy was called for. Some guiding principles for tackling the issue in the context of structural adjustment and growth had now been laid down. They should be translated into specific measures. Likewise, the new initiatives adopted at the Toronto summit meeting should be put into practice.

68. With regard to development financing, it must be emphasized that, without sufficient resources, it was virtually impossible to carry out an adjustment which would respond to the developing countries' progress requirements. Until there was an adequate and steady financial flow towards the developing countries, the opportunities for growth and progress would be non-existent. Any resources released as a result of disarmament measures should be used for that purpose and added to traditional resources. It was therefore important to apply the decisions adopted in 1987 at the International Conference on the Relationship between Disarmament and Development.

69. The decline of commodity prices continued to affect adversely the economies of all developing countries, especially those in Africa. To appreciate the gravity of the problem, it sufficed to remember that in 1986 commodities had accounted for 90 per cent of the total export earnings of African countries. The Steering Committee of the Organization of African Unity had formulated a series of recommendations conducive to a solution of the problem. It had also been recommended, in the context of the United Nations Programme of Action for African

(Mr. Rakotonaiivo, Madagascar)

Economic Recovery and Development, that a group of experts should be established to make an in-depth evaluation of the question of commodities in Africa and the opportunities for export diversification. It was to be hoped that the recommendations of the Ad Hoc Committee of the Whole established to prepare the review and appraisal of the Programme of Action would be applied without delay. His delegation supported the initiatives currently being taken to make operational a common fund for commodities and the measures designed to expand the compensatory financing facility of the International Monetary Fund. The Uruguay Round was of vital importance to the North-South dialogue; the negotiations should help to expand international trade, which was a prerequisite for the reactivation of the world economy. The international community, acting as a whole, should adopt measures to remedy the critical economic situation prevailing in various regions of the world, particularly Africa.

70. Mr. MISSARY (Democratic Yemen) said that his delegation wished to reaffirm the need for dialogue and negotiation in multilateral forums and the importance of efforts to achieve international peace and security.

71. The economic situation had deteriorated during the decade. The gap between the developed countries and the developing countries had widened as a result of the coercive policies applied by some developed countries in, for example, the spheres of trade and finance, while the conditions imposed by the international financial institutions with respect to adjustment programmes had become more rigorous, thereby plunging the developing countries into social and political instability. To overcome the crisis, the industrialized countries must give evidence of political will and the international financial institutions must become more democratic. It might thus be possible to create a propitious climate in which to apply the General Assembly resolutions on the establishment of a new international economic order and the Charter of Economic Rights and Duties of States. The international community had adopted a number of initiatives aimed at reactivating economic growth. They included the International Development Strategy for the Third United Nations Development Decade, the Substantial New Programme of Action for the 1980s for the Least Developed Countries and the United Nations Programme of Action for African Economic Recovery and Development. The results had not been satisfactory, however. It was therefore essential to make an intensive and constructive effort to attain the goals set, to apply the strategies laid down and to prepare promptly a new strategy for the 1990s.

72. His delegation approved all proposals aimed at convening an international conference on international economic and social problems. Among the items which would be included in the agenda were protectionism, restrictive commercial practices, reduction of the investment required for development, higher interest rates and capital transfers from developing countries to developed countries. It was to be hoped that the Assembly would agree on the date and venue of the conference at its current session.

(Mr. Missary, Democratic Yemen)

73. His delegation supported the proposal of the Group of 77 that a special session of the General Assembly should be held to discuss the question of international co-operation for development. It hoped that the Second Committee would be able to adopt recommendations and resolutions that would provide a sound basis for the improvement of the situation of developing countries. Lastly, it reiterated the need to strengthen the roles of the Economic and Social Council and the Second Committee.

The meeting rose at 12.20 p.m.