



SUMMARY RECORD OF THE 10th MEETING

Chairman: Mr. NAVAJAS MOGRO (Bolivia)

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GENERAL DEBATE (continued)

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

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

GENERAL DEBATE (continued)

1. **Mr. KATAWALA** (Mozambique) expressed concern at the striking disparities between the industrialized nations that alone enjoyed prosperity and abundance, and the rest of the world, in which economic decline and social regression seemed to have come to be regarded as part of the status quo. The main obstacles to development were well known, and his delegation favoured the convening of a special session of the General Assembly, devoted to the reactivation of economic growth and development, to address those issues.

2. With regard to Africa, the **Ad Hoc** Committee on the Review and Appraisal of the United Nations Programme of Action for African Economic Recovery and Development had stressed the need for the international community to take urgent new measures to implement the Programme of Action and to tackle the outstanding problems of debt, financial flows and commodities, and had acknowledged the importance of social considerations.

3. In Mozambique itself, in response to the constant deterioration of the economic and social situation resulting from the continuing and extremely destructive war of aggression, the Government had engaged in an economic recovery programme and an emergency programme, with active support from the international community. Notwithstanding the very encouraging results, much remained to be done. The enormous debt burden, which entirely absorbed available new resources, must be alleviated, and the necessary resources must be provided for the rehabilitation of infrastructures and assistance to the education and health sectors, which had been severely affected by the war.

4. Satisfied at the agreement reached to link emergency aid activities with rehabilitation programmes within the global context of recovery and development, his Government advocated the adoption of immediate measures to give tangible form to that understanding. His delegation thanked all those who had provided assistance to his country. It hoped that all delegations would give favourable consideration to the recommendation by the Economic and Social Council that Mozambique should be included in the list of least developed countries.

5. The findings of the Special Commission of the Economic and Social Council showed that further democratization and strengthening of the United Nations was possible in the economic and social fields, and that the system must be given the capacity to respond better to the needs of Member States, especially the developing countries. States must thus ensure that the Organization had the necessary material and financial resources. In that regard, the adoption of resolution 1988/77 of the Economic and Social Council was to be welcomed.

6. His delegation supported without reservation the preparation of the new International Development Strategy. Lastly, it hoped that it would be possible to consolidate the positive results recently achieved at the political level, and to extend them to all other areas.

7. Mr. AL-KHATANY (Saudi Arabia), said that although, as a result of better co-ordination of their economic policies, the industrialized countries had managed to stabilize exchange rates and give new impetus to growth, the economic situation of the developing countries continued to worsen, as was shown by the deterioration in the terms of trade and the increasing burden of external debt. The reason was that co-ordination outside the framework of the United Nations and of North-South dialogue could not bring about a radical change in the situation. The position of the developing countries was a matter of particular concern, since the hopes that had been placed in the Uruguay Round of negotiations had not been fulfilled. Although the importance of the measures to alleviate the debt burden of the developing countries must be acknowledged, the fact remained that the Uruguay negotiations had offered an ideal means of adjusting the economies of developing countries while at the same time boosting international trade.

8. The Saudi Arabian economy had suffered as a result of certain negative exogenous factors, which had forced it to adopt economic and financial adjustment measures. It had thus been able to move ahead with the tasks of implementing its projects and building its economic infrastructure. As part of its integrated development strategy, which favoured the private sector, Saudi Arabia had managed to diversify its resources and to develop its production sectors. However, while it had benefited from the comparative advantage offered by its petrochemical industries, the new industries set up to foster diversification had been hampered by the protectionist measures adopted by the major industrialized countries.

9. During the 1980s, commodity prices had fluctuated widely as a result of the unfavourable external economic situation, and had led to a considerable shortfall for the producer countries. Similarly, oil prices had plummeted during the previous four years, seriously jeopardizing the producer countries' development plans. The view had sometimes been advanced that oil-producing countries should share their revenues with other countries. However, it would be more logical to talk in terms of assistance and fruitful co-operation, and to acknowledge the efforts made by certain oil-producing countries in that area. Saudi Arabia, for its part, had constantly supported the developing countries' efforts. Thus, over the period 1973-1987, it had provided more than \$56 billion in public aid, a substantial proportion of which had been in the form of grants, and the remainder in the form of non-conditional concessionary loans. The main beneficiaries had been those countries most seriously affected by the crisis and the least developed countries. On the bilateral level, Saudi Arabia was contributing at least 20 per cent to the funds of development agencies. In addition to its contributions to the World Bank and the International Monetary Fund, in recent years Saudi Arabia had granted very substantial loans to those bodies, thereby enabling them to respond better to the increased financing needs of developing countries. On the international level, Saudi Arabia had made substantial contributions to the various United Nations agencies and programmes. It had also recently provided emergency humanitarian aid to the fraternal peoples of the Sudan and Bangladesh, who had been the victims of devastating floods.

10. Mr. AL-ERYANI (Yemen) said that the appearance on the international economic scene of negative phenomena, such as the rise in interest rates, exchange fluctuations, the protectionist measures that developing countries' products were encountering and restrictive measures regarding technology transfers, had exacerbated the international economic crisis and its effects on the developing countries, particularly the least developed countries. It was inconceivable that those countries would continue to be sources of raw materials and markets for manufactured goods; nor was it in the interest of the international community that they should constantly run deficits and be incapable of honouring their obligations and meeting the basic needs of their populations.

11. In the Middle East, the economic situation had deteriorated as a result of the conflict between Iraq and Iran. The fall in oil prices had seriously threatened the development plans of the countries of the region, including non-producer countries. Yemen had been seriously affected in that it had only limited resources. However, the Government had managed to rationalize imports and was seeking to develop the country's economic resources, with a priority accorded to agriculture.

12. One of the most serious problems facing the developing countries was their external debt. They were unable to implement their economic rehabilitation policies because of the rise in interest rates, the impossibility of obtaining credit from the commercial banks and the fall in commodity prices. Close co-operation between debtors and creditors would be required in order to solve the problem, with the former honouring their obligations and the latter taking account of the imperatives of growth, development and political and social stability of the developing debtor countries.

13. Yemen welcomed the debt relief measures adopted by certain industrialized countries. Nevertheless, only the establishment of a new international economic order, permitting the developing countries inter alia to obtain fair prices for their export products, would make it possible to overcome the current economic crisis. The improvement in international political relations and the settlement of a number of regional conflicts through the current relaxation of tension between the two super-Powers would undoubtedly have a positive influence on the world economic situation. In that connection, the United Nations remained the ideal international framework in which to solve international economic problems.

14. The problem of pollution (toxic and dangerous waste, nuclear testing, etc.) was currently adding to international economic problems. It was important, therefore, for all countries to take urgent administrative and legal steps to protect the environment.

15. Mr. GJIKA (Albania) said that, after two decades of decline and crisis, both the world economic situation and international relations were far from meeting the aspirations of the peoples of the democratic and sovereign countries. Despite the slight economic recovery in the developed countries, as yet insufficient to exert a favourable impact on growth in the rest of the world or to eliminate persistent inflation and unemployment in those countries, and despite some signs of relaxation in international relations, the main causes of tension remained, as political and

(Mr. Gjika, Albania)

military blocs were maintained, the arms race continued and all the signs of polarization between rich and poor persisted.

16. The international trade situation had worsened sharply, hampering the normal development of international relations. The major industrialized countries set the rules of the game, resorting to discriminatory and protectionist practices highly prejudicial to the developing countries, engaging in financial manipulations and speculations and maintaining an obsolete exchange system and enormous balance-of-payments deficits. Unemployment, which affected all countries and represented a tremendous waste of energy and good will sacrificed to selfish capitalist interests, and hunger, which had assumed alarming and intolerable proportions, were symptomatic of that situation.

17. The developing countries' debt problem, one of the most serious facing the world, was not simply economic but also political, in the sense that it constituted a threat to world peace and stability. It must be dealt with, in co-operation with the debtor countries, with realism and good will.

18. Albania was well aware that it would not be easy to settle the world's economic problems, but it believed that, through political will and co-operation, the international community and the United Nations could help to remedy some of them. It was in favour of all measures aimed at correcting unequal international relations.

19. Albania, convinced that international economic co-operation on a fair and equitable basis contributed to the improvement of international relations and to the social and economic development of each country, to friendship among the peoples and to the cause of international peace and security, had strengthened its co-operation with various countries, especially those of the region. It would remain true to the policy of independence and co-operation which had enabled it, despite the unfavourable economic environment, to strengthen its economy and raise the living conditions of its people.

20. Mr. OKEYO (Kenya) supported the proposals made by the Chairman of the Group of 77 in the belief that their implementation would be beneficial to all countries, for, although world economic growth was rising, only the industrialized countries were profiting from it, while the developing countries were witnessing a deterioration of their economic and social situation and remained deprived of capabilities for productive investment. A joint effort must be made at the current session to find durable solutions to world economic problems, as the only means of contributing to the maintenance of the ongoing process of relaxation of tension.

21. In particular, the good will recently demonstrated in the political arena must also be brought to bear on the debt issue. Despite all the proposals and all the efforts, and although the developing countries were determined to implement structural adjustment measures, although the African countries had recently reaffirmed their willingness to meet their debt commitments, and although the countries of Latin America were seeking practical solutions, no means had yet been found of solving the problem. Instead of seeking to ensure their own market share

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(Mr. Okeyo, Kenya)

and maintaining as many trade barriers as possible, the participants in the international trade negotiations must attack the real problems that inhibited productivity in the developing countries. The expansion of world trade and the benefits accruing from it required solutions to the linked problems of the debt burden, the negative flow of resources and technology. The Common Fund for Commodities needed to be made operational soon, the efforts being undertaken to achieve South-South co-operation needed support, and the North-South dialogue needed a new impetus.

22. The need to take steps to protect the environment against the deterioration resulting from man's over-indulgence in conquering nature could not be over-emphasized. The activities of UNEP must be supported, not only in terms of strengthened capabilities, but above all in programme implementation. Despite economic constraints, Kenya, with the valuable assistance of the international community, was continuing to implement, in co-operation with UNEP, projects for the prevention of deforestation and soil erosion and for rolling-back the advancing desert.

23. In conclusion, he expressed Kenya's hope that, given the increasingly difficult situation of the African countries, the international community would make every effort to implement the recommendations of the Ad Hoc Committee entrusted with the review of the United Nations Programme of Action for Africa.

24. Mr. MOULY (International Labour Organisation) said that, in view of the many uncertainties that existed, even in the short term, in regard to the development of the world economy, it was extremely difficult to identify potential sources of new jobs, although the structural adjustments put into effect by almost all countries were intended to absorb unemployment and underemployment, the main causes of unendurable poverty.

25. The ILO had submitted a document on that subject, containing brief analyses of 11 employment policies which had been in varying degrees successful and which provided lessons of general value. Though none of the policies offered a miracle cure, they were all nevertheless worthy of consideration.

26. Mr. STRESOV (Bulgaria) said that the progress achieved in the political field, in particular as a result of the improved relations between the United States and the Soviet Union, had not brought about the disappearance of economic problems, including the foreign indebtedness of the developing countries, which had reached alarming proportions. The debt problem could be solved only through a politically co-ordinated approach and the adoption of measures to regulate the international monetary and financial system and stabilize exchange rates. Bulgaria believed that the United Nations could play a leading role in that respect, including the possible organization of an international conference on money and finance for development.

27. The United Nations was also facing other important challenges, starting with the development and implementation of the new International Development Strategy, which ought to play a vital role in solving the acute problems of the developing

(Mr. Stresov, Bulgaria)

countries and promoting co-operation in the interest of all Member States. To ensure the success of the fourth United Nations decade for development, it would be vital to bear in mind the relationship between disarmament and development.

28. The Second Committee was also to consider the problem of environmental protection. In that regard, Bulgaria fully supported the initiative of Czechoslovakia and the Ukrainian SSR on ecological security and the proposal of the USSR to hold the second United Nations international conference on the environment at the highest level.

29. It was clear that only dialogue, on an equal footing and open-ended, could make it possible to find effective and lasting solutions to the current problems. Effective international co-operation should help to strengthen confidence among countries and to establish the conditions for stable and predictable world economic growth.

30. Bulgaria had undertaken a process of thorough restructuring, with a view to increasing the efficiency of its economy, further democratizing public and political life and significantly raising the standard of living of the population. The domestic reforms should also enable it to develop its international activities, particularly its trade and economic relations with the developing countries. In 1987 its economic assistance to those countries had reached 446 million leva, and its share of trade with them had increased from 3.8 per cent of the total in 1970 to over 11 per cent in 1986.

31. Lastly, he reiterated Bulgaria's readiness to help, within its resources, to consolidate international economic co-operation and to promote democratic and mutually beneficial economic relations, on an equal footing. Bulgaria set great store by the role played by the United Nations in solving international economic problems and ensuring economic security for all States.

32. Mr. SINGH (Singapore) said that the calm in international relations was misleading, and that the problems which had overshadowed the world economy in the 1980s had not disappeared. The future was uncertain. A world-wide recession could occur unless the macro-economic policies of the leading industrialized countries changed significantly. The outlook for developing countries, fraught with increased poverty and social unrest, remained worrying.

33. In recent years, there had been a change of attitude among the developed countries, which had closed their ranks and increased their mutual trade in order to defend their interests. The volume of trade among the industrialized countries had continued to expand by 5 per cent annually from 1980 to 1987 (against 6 per cent in the 1970s), while the annual growth rate of trade between the industrialized and the developing countries had plunged from 5 per cent in the 1970s to a negative growth rate of 0.4 per cent between 1980 and 1987. The conclusion of free-trade arrangements among developed countries clearly reflected the rally of the most powerful countries, which ignored the smaller ones. However, as the majority of the world's population lived in the developing world, it was dangerous to allow the gap between those two categories of countries to widen. The

(Mr. Singh, Singapore)

international system of free trade provided for in the Bretton Woods Agreements must therefore be strengthened.

34. During the Uruguay Round of negotiations in 1986, the need for global rather than ad hoc solutions to the problems confronting the multilateral trading system was recognized. The mid-term review of the Uruguay Round, scheduled for December 1988, should make it possible to advance the objectives of those negotiations, namely, a balanced reduction of trade barriers, a strengthening of multilateral trade, enlargement of the legal and institutional role of GATT, and improvement of the economic outlook.

35. While it was imperative for the developed countries to protect international free trade, developing countries must also get ready to weather future storms and draw closer to the developed countries. As the Under-Secretary-General for International Economic and Social Affairs had stated, they should, inter alia, redouble their efforts to improve their fiscal and monetary policies, control inflation, reform their tax systems, mobilize national resources and increase productivity and efficiency. It might also be useful for them to strengthen South-South co-operation and to increase their mutual trade, thus enabling them to confront possible problems more effectively.

36. A continuation of the current economic situation during the following decade could have dangerous consequences for the development of the world economy and the growth of the developing countries. However, the diverse courses chosen by those countries did not augur well for the future. It could only be hoped that the Second Committee would devise innovative solutions.

37. Mr. OTOBO (Nigeria) urged the international community to take advantage of the climate of peace prevailing in international relations in order to redress the structural imbalances in the world economy. The revival of growth and development would be considerably facilitated were full use made of detente to resolve the pressing problems of mankind in such international forums as the United Nations.

38. The acceleration of economic growth in the developed countries had not spread to the developing ones which continued to experience an extremely unfavourable international economic situation, characterized by persistently declining primary commodity prices, worsening of the terms of trade, rising protectionism, increasing debt and net capital outflows. The current situation reflected the deep-rooted structural imbalances in the world economy, which could not be redressed through the trickle-down effect of growth in the developed world. Fundamental restructuring of the international economy must be undertaken if all countries were to benefit from the improvements in some regions of the world.

39. The decisions adopted during the summer concerning, inter alia, the eighth replenishment of the International Development Association, the establishment of the enhanced structural adjustment facility by the International Monetary Fund, the increase in World Bank capital, the launching of a special programme of assistance by the World Bank for highly indebted low-income African countries and the decision taken at the Toronto Summit, allowing official creditors to consider several

(Mr. Otobo, Nigeria)

options for relieving the debt of the poorest developing countries, were certainly steps in the right direction. However, they would not suffice to overcome the serious economic problems confronting the majority of developing countries. For that reason the Ministers of the Group of 77 had indicated that, for an effective response to the problems of the world economy, a process of economic consultation and co-ordination was needed which would take into account the concerns of the developing countries. The active participation of those countries was necessary for developing an integrated set of policies to ensure the sustained growth and development of the world economy in the interest of all countries. Nigeria therefore supported the call of the Group of 77 for a special session of the General Assembly as soon as possible to examine the ways and means of reactivating the economic growth and development of the developing and the developed countries.

40. The mid-term review and appraisal of the United Nations Programme of Action for African Economic Recovery and Development showed that much remained to be done in order for Africa to overcome its economic impasse. There was no need to recount the immense sacrifices made by African countries in the process of adjusting their national economies. Several of them had undertaken reforms without having the sufficient external support provided for in the Programme of Action. Therefore, it was more important than ever for the international community to provide additional resources and to honour its commitments if the Programme of Action was to maintain its credibility and its objectives were to be achieved.

41. Nigeria, regretting that the international community had not duly taken account of the human dimension of development during the 1980s, welcomed the growing recognition of the importance of human resources development as a component of development. However, it should be kept in mind that the alleviation of poverty and human resources development, while deserving high priority, should not be the only foundations of the international development strategy for the fourth United Nations development decade. Those objectives could only be achieved in a more favourable economic environment. The international development strategy must not only be forward-looking and aim to meet new challenges, but must also seek to solve problems which seemed certain to persist.

42. Mr. TSHITAMBWE (Zaire) said that the current improvement in the relations between the two super-Powers did not mean however that peace reigned on earth. Not the peace of arms but true peace for the individual which implied victory over poverty, malnutrition, disease and suffering, in other words over underdevelopment. The economic situation had hardly improved over the past 10 years, and the North-South dialogue had not yet found solid common ground on which to build satisfactory and lasting solutions to the economic crisis. The gap between the industrialized countries and the developing countries continued to widen; the debt burden of the developing countries had become almost impossible to manage; the recommended or imposed structural adjustments had not been accompanied by sufficient aid from the international community to enable the developing countries to find a solution to their economic and social stagnation.

43. Africa was the most vulnerable continent owing to its dependence on the industrialized countries, and its situation had deteriorated so much that the

(Mr. Tshitambwe, Zaire)

General Assembly had adopted, following a special session in 1986, the United Nations Programme of Action for African Economic Recovery and Development 1986-1990. The in-depth mid-term review of the Programme had indicated far from satisfactory results: during the past two years per capita income had fallen by 4.2 per cent, the debt burden had grown heavier, the flow of resources to Africa was at a standstill, and export earnings had declined by nearly 37 per cent. In general terms, the implementation of the programmes of reform and economic recovery, far from stimulating growth, had created considerable difficulties for hundreds of millions of people, for the authorities had had to cut public expenditure in order to balance their budgets and repay the foreign debt, while the collapse of commodity prices had caused a sharp drop in export earnings.

44. His country, which had long been regarded as a star pupil by international financial bodies, had rigorously carried out for three years all the programmes proposed by those bodies in order to lift itself out of the rut and revitalize its growth, but at the end of the day it had turned out that those programmes were designed solely to facilitate repayment of the foreign debt, for they had resulted in a net transfer of resources amounting to \$US 1 billion. The developing countries could not remain net exporters of capital or bear such a debt burden without seriously jeopardizing their political stability and their development. That was why the solutions could not be unilateral but must be sought in negotiation and sharing of responsibilities between creditor and debtor countries. His delegation was convinced that such an approach was possible given the necessary political will. It firmly supported the proposal for the convening of a special session of the General Assembly devoted to the reactivation of economic growth and development in the developing countries and it had confidence in the ability of the machinery of multilateralism to solve the problems of development while protecting the environment.

45. The CHAIRMAN, recalling briefly the views expressed during the general debate before concluding it, said that the Second Committee had shown itself to be especially concerned about the international economic situation, in particular the problem of foreign debt and its adverse effects on the stability of the debtor countries. It was not just a bilateral problem but concerned the whole international community. It was not just a temporary or financial problem but a structural and fundamentally political one. The views expressed during the debate indicated two types of attitude: one group of countries considered that the present strategy, according to which the best means of solving the debt problem was to adopt market-oriented growth measures on a case-by-case basis, remained valid and that the study of debt problems was a matter for the competent international institutions (the least developed countries, especially the countries of sub-Saharan Africa, would be the subject of special measures). A second group of countries believed that the approach taken so far must undergo fundamental change, on the premise that the current debt could not be repaid and that the debtor countries could not service it without running the risk of creating an unstable situation which would in turn threaten the whole international financial system. It was to be hoped that the Committee's work would facilitate a consensus on that question.

(The Chairman)

46. Several concrete proposals had been put forward with respect to trade and finance: the convening in 1989 and 1990 at the latest of a special session of the General Assembly devoted to the reactivation of economic growth and development in the developing countries; the development and improvement of the international debt strategy; the establishment in the United Nations of international machinery based on the concept of international economic security to seek solutions to serious economic and environmental problems; the establishment of a system for the early identification of any unfavourable development in the economic situation and for the adoption of preventative measures; the need to bring the Common Fund for Commodities into operation as soon as possible; the reversal of net transfers of resources and the adoption of measures to increase the flows of external resources to the developing countries, strengthen the structural adjustment measures and ease the debt burden, which had become insupportable.

47. Where the environment was concerned, a consensus had emerged in favour of co-operation and the search for solutions at the world level. However, several delegations had stated that solutions to ecological problems should not work against the development of the developing countries or be used as a pretext for imposing new conditions on international financial co-operation.

48. Several delegations had proposed the convening in 1992 of a United Nations conference on substantial development and of another conference in 1989 devoted to the ecological situation of the planet, which would be followed in 1990 by a summit meeting of the heads of State of 15 or 20 countries representing all the regions of the world.

49. Turning to the development of human resources and the role of women, he said that it was important to keep in mind that the ultimate goal of development was the welfare of peoples. There must also be awareness of the key role played by women in development, both through their activities in the family and through their participation in the economic development process. Many delegations had indicated their concern about the rising level of poverty, which in some countries affected more than 40 per cent of the population and they had attributed that situation to the strategy adopted to solve the debt problem and to the adjustment policies which had been implemented.

50. With regard to the particular case of Africa, there was a general consensus, on the need for redoubled efforts in view of the continent's critical situation and for more effective implementation of the United Nations Programme of Action for African Economic Recovery and Development.

51. The new international development strategy must seek inter alia to relaunch growth and development, give priority to international co-operation for development, including the attainment of humanitarian goals common to all countries, demonstrate greater realism and flexibility in the establishment of targets and goals and in the use of economic indicators, and bring economic and social goals into closer alignment with each other.

(The Chairman)

52. Lastly, with regard to the reform of the United Nations system, the importance of Economic and Social Council resolution 1988/77 on the revitalization of the Council had been emphasized, and a number of delegations were looking forward to the results of the consultations held by the Secretary-General on the restructuring of the system.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (A/43/3, A/43/8 and Add.1, A/43/35, 122, 214, 273, 325, 336, 341, 360, A/43/36/ and Corr. 1 and 2, A/43/370, 393, 432, 435, 446, 457, 460, 463, 544, 587, 671; A/C.2/43/4; A/C.2/43/L.2, L.3, L.4)

53. Mr. AHMED (Under-Secretary-General for International Economic and Social Affairs), speaking of the work of the Economic and Social Council that fell within the purview of the Department for International Economic and Social Affairs, said that the past year had been particularly productive for the Council which, in addition to taking a number of initiatives to strengthen international co-operation and enhance its own capacity for policy formulation and co-ordination, had managed to reach consensus on some of the more controversial issues on its agenda.

54. Its discussion on international economic and social policy, concerned principally with the multilateral response to structural imbalances in the world economy and their effects on development, had brought out the dangers inherent in the slow pace at which the large imbalances between major industrialized countries, were being trimmed despite limited success in stabilizing the exchange rate. The Council had also been alarmed by the decline in the terms of trade of developing countries during the 1980s which, combined with their rising debt-servicing obligations and with reduced financial flows, had been at the root of the net financial outflow of resources from the developing to the developed countries since 1982. For the first time, the Council had been able to reach consensus on the net transfer of resources from developing to developed countries and had requested the Secretary-General, in decision 1980/160, to continue to monitor the evolution of the phenomenon and to devote a separate chapter of the World Economic Survey 1989 to an analysis of the problem. The general discussion had also brought to light the need for the United Nations to provide an appropriate framework for the early identification and analysis of emerging problems in the world economy and international economic relations. In a consensus resolution (1988/75), the Council had acknowledged the need for continued economic research and analysis by the United Nations and had requested the Secretary-General to prepare a survey of the mechanisms and means currently available within the system.

55. The Council had also adopted by consensus a resolution on national entrepreneurship in economic development (1988/74), recognizing the important role that national entrepreneurs in all countries could play in economic development and technological progress, the creation of new jobs, the more efficient use of human resources and the acquisition of new technology. It had requested the Secretary-General to undertake a study of measures to promote the contribution of national entrepreneurs to economic progress in the developing countries, taking into account the need for a positive international economic environment. If encouraged and utilized effectively, entrepreneurship would offer immense potential

(Mr. Ahmed)

for growth. That, however, required a favourable institutional, legal and socio-economic framework at the national level and a supportive international environment. Public authorities could usefully benefit from exchanges of experience between countries at different levels of development and with different economic systems, for the purpose of designing policies and programmes to encourage entrepreneurship. The United Nations could play a very important catalytic role in that process. In the light of current budgetary constraints, the Department of International Economic and Social Affairs appealed to countries that were in a position to do so to provide financing for the effective implementation of the programme of activities it had drawn up.

56. The Council had devoted particular attention to the economic aspects of the role of women in development, having before it for the first time indicators on the socio-economic attainment of women; in resolution 1988/59, it had requested the Secretary-General to initiate the formulation of a system-wide medium-term plan for the advancement of women, directed towards the objectives of equality, development and peace, for the period 1996-2001. Pursuant to that resolution, the Department of International Economic and Social Affairs would continue to develop and implement its programme of activities related to the role of women in development.

57. Acquired immunodeficiency syndrome (AIDS), in addition to being a medical and humanitarian challenge, would have a heavy impact on all aspects of human life. It was the task of the Second Committee to consider its socio-economic impact, and that would require a multisectoral analysis. The United Nations system had responded to the new challenge by developing, under the leadership of WHO, a Global Strategy for the prevention and control of AIDS calling for activities in 140 countries. The Department of International Economic and Social Affairs was working in close co-operation with WHO, the World Bank and other relevant parts of the United Nations system to analyse, in a co-ordinated manner, the demographic and socio-economic aspects of the problem and its effects on development.

58. He hoped that Governments would shortly provide the extrabudgetary resources needed to implement resolution 1988/61, in which the Economic and Social Council had requested the Secretary-General to continue to provide assistance to Governments, in particular those of developing countries, in implementing the guidelines for consumer protection adopted by the General Assembly in resolution 39/248.

59. Note should also be taken of the important decision by the Economic and Social Council on guidelines for international decades (resolution 1988/63), setting forth clear guidelines on the subjects for and timing of international decades, the requirements for the proclamation of international decades, and a review and appraisal of the implementation of the programme of action of each decade, elements which should all contribute towards the attainment of the desired objectives.

60. Finally, the Economic and Social Council had adopted a resolution of far-reaching importance on its own revitalization (1988/77), relating to all aspects of the functioning of the Council, including policy formulation, monitoring, operational activities, co-ordination, working methods and organization

(Mr. Ahmed)

of work. The effect should be to enhance the role of the Council in policy formulation and co-ordination.

61. Mr. RAMACHANDRAN (Executive Director, United Nations Centre for Human Settlements) remarked that the Commission on Human Settlements, at its eleventh session, had concentrated on the formulation of the Global Strategy for Shelter to the Year 2000, as the General Assembly had requested it to do in resolution 42/191. One of the most important results of the International Year of Shelter for the Homeless had been to reveal the true extent of the housing problem in both developing and developed countries, and the size of the task to be accomplished if shelter was to be provided not only for the billion people who did not at present have decent housing but also for the extra hundreds of millions of people that would be added to the population of the developing regions over the coming decade. The situation, as it transpired, posed a serious threat to political and social stability and an obstacle to development, and the International Year must be followed up energetically by adopting a specific and concerted programme for improving shelter around the world.

62. The main objective of the Global Strategy for Shelter to the Year 2000, set forth in document A/43/8 and Add.1, was to facilitate adequate shelter for all by the year 2000, in particular for the poor and the disadvantaged. It emphasized an "enabling" approach, involving both public and private sectors in order to mobilize all available resources to meet national housing needs. It called on each country to devise a national strategy suited to its own needs, circumstances and means, and called on the international community to lend vigorous support to national measures.

63. The Global Strategy for Shelter was of such importance that it went to the heart of the development process. Its implementation would help to further the broader objective of the United Nations system, by providing a framework for the introduction and promotion of other economic and social objectives including, for example, economic recovery and viable development, increased industrial production, growing self-sufficiency, the development of human resources, improved health and enhanced productivity, the integration of women into development activities at all levels and the promotion of community involvement. It was, furthermore, wholly consistent with the transformations currently taking place in developing countries, of which urban growth was the most visible sign. Urban growth, far from being associated simply with the largest towns, affected settlements of all sizes from major cities to rural centres. By adopting and implementing the Global Strategy, Governments and the international community would be paving the way for a new and better world where social conflicts and political tensions would be eased and development with a truly human face could emerge.

The meeting rose at 1 p.m.