



SUMMARY RECORD OF THE 9th MEETING

Chairman: Mr. MURGESCU (Romania)

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The meeting was called to order at 3.15 p.m.

AGENDA ITEM 61: FOOD PROBLEMS: REPORT OF THE WORLD FOOD COUNCIL (A/34/19)

1. Mr. WILLIAMS (Executive Director, World Food Council), introducing the report of the World Food Council on the work of its fifth session (A/34/19), said it was evident that the Council was picking up momentum in mobilizing the political will needed to overcome hunger and malnutrition. It was moving from agreements in principle to more specific implementation of commonly held objectives.
2. It was widely recognized that the world in general and the low-income developing countries in particular were moving towards an increasingly difficult food situation. Although on the surface the world food situation seemed to have improved, at a deeper level the situation was deteriorating. The food production of developing countries was not keeping pace with their rising food needs. They were increasingly dependent on imported food, and large import requirements were also forecast for the socialist countries and a number of middle-income developing countries.
3. Like food production, actual food availability in most of the low-income countries had declined over the past decade, with the result that the number of hungry and malnourished people in the world had been increasing. Over half of that number were children, who, as a consequence of malnourishment, suffered physical and mental damage and were unable to lead full and productive lives. Some 40 countries which were not producing enough food to feed their people were so poor that they could not pay for imported food. A massive increase in food production in the low-income countries was urgently required.
4. The world food reserve situation itself was less than satisfactory. Stocks were concentrated in North America, which was separated from the areas of greater hunger by geographic, logistic, financial and sometimes political barriers. The logistic and transport bottle-necks in North America had demonstrated that the concentrations of stocks in a few countries could present serious obstacles to the attainment of world food security. That highlighted the urgent need for the establishment of reserve stocks in the developing countries, a need which became more urgent since international grain trade negotiations were stalled and the prospects for the establishment of stable world wheat prices had vanished.
5. The latest crop estimates for 1979 wheat and coarse grains indicated that consumption would outstrip production in 1979/80. Prices in world markets had already registered sharp increases, and large import requirements were forecast for the Soviet Union, Eastern Europe and perhaps China. The worst sufferers would be the most vulnerable among the developing countries, which were already heavily dependent on food imports and faced serious balance-of-payments difficulties. The world hunger problem was getting worse rather than better, and a major crisis lay ahead unless a concerted effort was made to forestall it.
6. The World Food Council, concluding that structural changes in the world food economy were needed, had recommended national and international actions based on

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the world-wide consultations undertaken pursuant to the request made by the Council at its fourth session. At the fifth session, the Council had stressed the use of national food sector strategies to raise food issues to the highest policy levels in Governments and assure a more co-ordinated approach to food production, distribution, nutrition and national food security. The Council regarded that approach as a promising instrument for food deficit countries to review their food efforts, to provide a framework for identification and preparation of investment projects, and, where desirable, to step up the capacity and mobilization of investment, including additional external finance. The Council had made it clear that it was for each developing country to determine whether a food strategy was appropriate to its circumstances and that development assistance agencies should not make the preparation of food strategies a pre-condition for development assistance.

7. The Council was encouraged by the expressed willingness of international and bilateral assistance agencies to support that approach. Bangladesh, Honduras, the Philippines and Senegal had decided to prepare food strategies and several other countries, including Nigeria, the United Republic of Tanzania and Zambia, were actively interested in them. The President of the Council had asked food deficit countries to consider adopting that approach, and the Council was ready to discuss that initiative with them and to mobilize the international assistance needed. The Council had welcomed the announcement that the Canadian Government had set aside a special fund of \$2 million for technical assistance in food strategy preparation. The Council had called on other developed countries to follow Canada's example. A number of donor countries, including Italy, the Netherlands and the United States, had indicated a positive response, and other countries were expected to follow.

8. While developing countries recognized that the solution of their food problem was primarily their own responsibility, they also felt that the international community had to assist them in their efforts. Overcoming hunger was the common responsibility of the international community, requiring a framework of national and international action within which developing countries, in appropriate cases, would accord a higher priority to food questions within the over-all objectives of national plans; developed countries, other countries able to provide development assistance and international agencies would complement the efforts of developing countries by increasing development assistance, and countries would work together, each according to its capabilities, to ensure better food security for all.

9. The Council had emphasized that production efforts should be accompanied by more direct action to overcome malnutrition and achieve greater equity in food distribution. It had supported a two-pronged approach of action aimed at attacking the root causes of hunger through fundamental development efforts, while immediately raising the food consumption and nutrition levels of hungry people through direct action such as food subsidy and improved distribution programmes for vulnerable groups. That approach would be an element of food sector strategies. Concerned about the relatively limited practical experience with immediate measures to improve equity in food distribution, the Council had instructed the secretariat to assess experiences and report back on what specific types of

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measures could be most effectively implemented under varying country-specific conditions. The food strategies were a promising means of co-ordinating those efforts and mobilizing the international community to support food deficit countries in overcoming their food problems.

10. The Council, in its conclusions on the scope for international action, had noted that the Committee of the Whole Established under General Assembly Resolution 32/174 had agreed that urgent measures should be taken to reach the target of 4 per cent annual growth rate in agricultural production in developing countries. That target remained a realistic assessment of food requirements. It was imperative to achieve a rate close to the 4 per cent target. The task would be difficult and would require large-scale investment not only by developing countries but also through considerably expanded foreign assistance. The two main donor groups of the developed and the developing countries, the OECD and OPEC countries, had expressed their willingness to respond to additional requests for investment assistance in food. The Council had noted with appreciation the announcement by the Italian Government that it would ask its parliament to double development assistance in 1980, giving priority to the food sector. The result of the subsequent special session of the parliament appeared likely to be more than a doubling of Italian development assistance, with a budget increase of over \$400 million in 1980. Although, to judge from the discussions at the fifth session of the Council, outside aid would exceed current levels, considerably more would be needed to help to solve food problems.

11. The Council had urged support for a number of specific requirements for the food sector of developing countries associated with FAO and World Bank programmes, which included fertilizer and pesticide assistance, assistance for prevention of food losses and for seed improvement, and strengthening of agricultural research.

12. The offer by the Government of India to share its experience in agriculture by extending technical co-operation and even aid to other developing countries had been welcomed by the Council.

13. The Council regretted the failure to date of the negotiations for a new international wheat agreement with appropriate reserve and market arrangements to stabilize violent fluctuations in food prices and to meet crop failures. Unfortunately, it had been unable to make progress in encouraging an early resumption of those negotiations.

14. Some countries, such as India, had reported significant progress in national reserve creation and stock management. In that area, the Council had recognized the importance of undertaking country-by-country assessments of the food security infrastructure needs in individual countries as a basis for a stepped-up investment effort. The Council would be working with FAO, the World Bank and the regional development banks to accelerate the assessment of needs and costs and then to mobilize the necessary funds.

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15. Measures should also be taken to strengthen the emergency arrangements for meeting urgent food needs. There had been a positive move by the Council to press for a new food aid convention at substantially higher levels than the 4.2 million tons now assured under the 1971 Convention. The major obstacle had been the unwillingness of countries providing food aid to proceed with a more satisfactory food aid agreement except in the context of a new wheat trade agreement. The obvious need was to conclude a more satisfactory food aid convention in advance of a new wheat trade agreement. One significant development at the fifth session had been the announcement by Canada of a new food aid pledge and its commitment to a new food aid convention in advance of a new wheat trade agreement. If the European Economic Community, Argentina, Australia and Japan would follow suit, a new food aid convention, already supported by the United States, the Nordic States and the developing countries, could be achieved by the mid-1980s. The Council had strongly urged independent and early food aid negotiations with every effort to enlist new contributors and to increase the commitments of existing contributors, so that a new convention would ensure a minimum of 10 million tons in food aid.

16. Also to strengthen emergency arrangements, the Council had endorsed the FAO Five-Point Plan of Action on world food security. It had urged all countries, particularly those developing countries not yet contributing to it, to immediately achieve the 500,000 ton target for the International Emergency Reserve and to support consideration by the International Monetary Fund of a food aid facility to extend loans on appropriate terms to developing countries faced with unexpected food import needs.

17. With respect to international trade, the Council had expressed deep concern that protectionist practices seriously affected the exports of developing countries and their ability to meet the essential food and other needs of their people. Developing countries were asked to report to the Council the type of support they needed and the obstacles identified, so that the Council could propose appropriate measures.

18. The initiatives taken at the fifth session of UNCTAD in the field of food production and trade had been strongly endorsed, and all parties involved had been called on to implement them as a matter of great importance to the solution of the world food problem. The Council had also called for an expansion of information available to the public in all countries, but particularly in developed countries, concerning the costs of protectionism to consumers, as well as its over-all negative effects on economic expansion and development.

19. The Council had expressed its concern at the rapid growth of military expenditure in the world and had suggested that measures should be taken to remedy that situation by allocating part of the resources released as a result of a reduction of armament expenditures to the financing of development and food programmes.

20. As indicated in the introductory part of its conclusions and recommendations (A/34/19, para. 1), the Council expected that all Governments, international agencies and indeed all people would reaffirm their commitment to overcome hunger everywhere and that that commitment would become a major guide to policy and action at every level. It was in that spirit that the Council had recommended that the United Nations system should accord very high priority to meeting food needs, so

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that the 1980s would be known not as the decade of growing hunger and frustration for millions of people, but rather as a food and development decade. The Council's programme emerging from its fifth session was fully oriented to action which could help to redress the structural imbalances in the world food economy by expanding the flow of development assistance for increased production of food in areas of greatest need and encouraging its more equitable distribution, and by building a real system of world food security. A major effort to eradicate hunger and the human degradation and despair which it caused was a political imperative for building co-operation and solidarity among all nations. Agreement on such a concerted effort would provide a corner-stone of a restructured and expanded world economy and the basis for building a new international economic order.

21. During the general debate in the General Assembly, he had been pleased to hear representatives of a number of countries stressing the importance of the food sector within the context of over-all economic and social development. Many had also confirmed the political commitment of their Governments to help in bridging the structural gap between several parts of the world. On behalf of the Council, he urged the Second Committee to reinforce that commitment by adopting a strong resolution endorsing the Council's conclusions and supporting the common efforts.

GENERAL DEBATE (continued)

22. Mr. LOPEZ PAZ (Cuba) said that no one should be deceived by the false promises which the developed market-economy countries made in order to confuse and divide the under-developed world. Despite the various resolutions, declarations and programmes of action adopted since 1974 with a view to solving the urgent problems affecting the under-developed countries, their economic situation had continually deteriorated, without any sign of improvement in the near future. The open, sincere and extremely flexible position of those countries had met with incomprehension, inflexibility and haggling on the part of the developed capitalist countries, which continued to offer purely marginal concessions and avoid the substance of the issues in an attempt to maintain their privileged position.

23. The increasingly unjust character of the existing system of international economic relations had been aggravated in recent years by the world economic crisis and the harmful effects of tariff and non-tariff barriers, protectionist practices, external indebtedness and debt-servicing, and inflation. The crisis was due to serious structural distortions in the economies of the developed countries and in international economic relations. The only effective and lasting solution was therefore a restructuring of the world economy and of international relations.

24. Accordingly, the developing countries had demanded at the fifth session of UNCTAD the establishment of a system of global consultations on trade, development and financial and monetary issues with a view to regulating, for the benefit of the international community as a whole, the economic policies followed by the major industrialized countries. That legitimate aspiration, which would have led to a genuine application of the principle of interdependence among States, had been frustrated by some developed market-economy countries, which continued to defend the existing unjust structures of the world economy, thus widening even further

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the gap between them and the under-developed countries. They were promoting new approaches that would distort the priorities of the under-developed countries and divide them into artificial categories without regard for actual realities. They were trying to interpret global interdependence as meaning that the developing countries had an obligation to solve the crisis of the industrialized Western countries; yet the under-developed countries had not created that crisis, and they were not prepared to accept attempts to resolve it at the cost of aggravating even further their own difficult economic situation. The imperialists, colonialists and neo-colonialists were resorting to sophisticated political manoeuvres in an attempt to prevent the establishment of the new international economic order and maintain inequality, injustice, dependence and exploitation. Those matters had recently been reviewed by the Ministers for Foreign Affairs of the Group of 77, who had adopted a formal declaration which Cuba supported and which should be taken into account by the Second Committee.

25. The Sixth Conference of Heads of State or Government of Non-Aligned Countries had emphasized the inalienable right of the raw-material-producing countries of the so-called third world to exercise full, effective and permanent sovereignty over their natural resources. The Conference had adopted major decisions concerning measures to be taken by the under-developed countries for the formulation of a new International Development Strategy and the realization of the new international economic order. It had condemned the status quo in international economic relations and expressed its views on issues crucial to the developing countries, such as protectionism, commodities, the Common Fund, restrictive trade practices, science and technology, industrialization, food and agriculture, the law of the sea, the role of transnational corporations in the economies of under-developed countries, the new International Development Strategy and other subjects of importance to the world economy on which negotiations had been in vain.

26. The Conference had also laid down policy guidelines for co-operation among developing countries and for global negotiations on the question of international economic co-operation for development. It had taken the view that such negotiations should be conducted within the United Nations system, with the full participation of all States, and should relate to the major issues in respect of raw materials, energy, trade, development and finance. He would like to point out once again the need to give those negotiations a new impetus, in order to set them on a course different from that taken by the negotiations for the realization of the new international economic order. The under-developed countries must realize that they had enough real bargaining power to make a bold response to manoeuvres aimed at dividing them, and that they could increase that power by exercising their sovereign rights over their natural resources and by other means.

27. The Conference had also condemned the delaying and divisive tactics of some developed capitalist countries, which applied policies designed to compartmentalize issues of international concern with the aim of evading their obligations.

28. In the struggle against imperialism, colonialism, neo-colonialism, apartheid, racism and zionism, the under-developed countries faced constant political, economic and military pressures. Such pressures had been exerted against Cuba,

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which for 18 years had been subjected to an illegal economic blockade imposed by the United States Government in an attempt to strangle the revolution and prevent Cuba's economic development.

29. Cuba was ready at all times to give reconstruction assistance to the people of Nicaragua, who had suffered from the acts of barbarism, savagery and genocide committed by the dictatorial Somoza régime put in place by United States imperialism. It therefore welcomed the decisions of the Latin American Economic System concerning the establishment by the Government of National Reconstruction of an Action Committee, and also the recent ECLA resolution on reconstruction assistance.

30. His delegation would support any draft resolution requesting assistance for the Dominican Republic and Dominica because of the severe losses caused by hurricane "David".

31. In conclusion, he recalled the words of Dr. Fidel Castro, who had urged the developing countries to join forces in demanding their right to development, their right to life and their right to a future, and an end to a world economy based on the opulence of those who continued to exploit and impoverish others and on the poverty and economic and social under-development of the vast majority of mankind.

32. Mr. MARDOVICH (Byelorussian Soviet Socialist Republic) said it was clear from the comments of delegations on the present state of the world economy that one of the deepest crises in the capitalist economy since the Second World War had occurred in the 1970s. Inflation and unemployment had intensified, the situation of the developing countries in international economic relations had become even more inequitable, their external debt had increased, attempts to reform the monetary system had been unproductive and the activities of transnational corporations had hindered the industrial development of new States. However, neither the cyclical nor the structural crisis had halted the runaway growth of the income of monopolies; for example, the income of 700 of the largest industrial capitalist monopolies had increased by a factor of 3.5 during the past eight years. The annual net income of United States monopolies from their direct investments in developing countries had exceeded \$6 billion.

33. Those facts substantiated the view that the existing form of international economic relations, which had been established under a completely different balance of power and reflected only the interests of imperialist monopolies, operated to the detriment of the vital interests of the great majority of countries and was not in line with the development of the over-all international situation. That had become particularly apparent, once the process of détente had created the prerequisites for solving current economic problems in accordance with the interests of all peoples of the world.

34. His delegation could not agree with the unjustified pessimism expressed by some delegations at the current session regarding the future for the development of economic co-operation between developed and developing countries. Nor did it share the unfounded elation over the fact that the last three decades had been ones of "unprecedented economic growth for the developing world, at rates faster than those

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of the industrialized countries" (A/34/PV.8, p. 41). That immoderate judgement did not give a true picture of the world economic situation. The fact was that, on the whole, the gap in economic development and power between developed and developing countries had not decreased but had grown wider. The situation of workers in the least developed among the developing countries remained particularly difficult, as illustrated by the documents of the Sixth Conference of Heads of State or Government of Non-Aligned Countries and other documents produced by the developing countries themselves.

35. It was clear that that situation could not satisfy the needs of the developing countries or the highest aspirations of world society. The socialist countries had deep sympathy for the difficulties encountered by the developing countries of Asia, Africa and Latin America in their efforts to build their economies and achieve social progress. They accordingly supported in principle the steps taken by the developing countries themselves and by the United Nations to rectify economic injustices. The socialist countries made unceasing efforts to normalize economic relations and reorganize them on a new and just basis. At the first session of UNCTAD, it was the Soviet Union and the socialist countries that had put forward basic principles of international economic co-operation whose adoption had pointed the way to a radical restructuring of international economic relations. The task of eliminating discrimination and artificial obstructions in international trade and all forms of inequity and exploitation in international economic relations had been spelt out in Party programme documents of those countries, which accordingly supported the struggle of the developing countries for equitable international trade relations and the creation of more favourable conditions for overcoming their economic backwardness. The joint efforts of the socialist and developing countries had facilitated the adoption by the United Nations of such important instruments as the Charter of Economic Rights and Duties of States and the Declaration and Programme of Action on the Establishment of a New International Economic Order. At the fifth session of UNCTAD, the socialist countries had submitted a joint statement (TD/249) on the measures they intended to carry out for the development of economic co-operation on a democratic basis, including co-operation with the developing countries. That initiative had definitely not been dictated by opportunism, because for the socialist countries the struggle to restructure international economic relations on a just and democratic basis had begun from the moment when the first socialist State, Soviet Russia, had been created, and had continued throughout the 30 years of existence of the Council for Mutual Economic Assistance. Thus, there was an essential bond between the just demands of the developing countries and those of the socialist countries, and between their ultimate goals in the United Nations. The unity in action of the socialist and developing countries was therefore inevitable.

36. In United Nations bodies, however, some developing countries indiscriminately and falsely lumped capitalist and socialist countries together under the term "North", thus ascribing to them essentially identical concerns. The question of the automatic transfer of a specified percentage of gross national product

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to newly liberated countries in the form of international aid was an example of that attitude. The Soviet statement on the restructuring of international economic relations had pointed out that there was not and could not be any basis for addressing to the Soviet Union and other socialist countries the kind of demands which developing countries justly addressed to developed capitalist States, including the demand for the obligatory transfer to developing countries of a fixed percentage of GNP as economic aid. Clearly, the aid furnished by socialist Governments was not repayment for damage done but assistance offered by a friend and ally in the struggle against a common adversary - imperialism, colonialism and neo-colonialism.

37. Similarly, representatives of some developing countries did not include relations among countries with different social structures in their efforts to combat discrimination in international trade and economic relations. Such tolerance for any form of discrimination could undermine the struggle of developing countries for equity in international relations. Colonialist and neo-colonialist Powers took advantage of that tolerance in their attempts to shirk responsibility for the colonial past or to transfer part of that responsibility to countries which had had no part in creating the current economic problems of developing countries.

38. There were also those in the United Nations who continued to hold the view that international détente must precede economic development. The special session of the General Assembly on disarmament had led to an increased understanding of the interrelationship between détente, disarmament and expanded development, but there was still a large gap between words and deeds. His delegation wished once again to stress that the struggle for the restructuring of international economic relations was inseparable from the processes of international détente, of ending the arms race and of strengthening trust and co-operation among States. Accordingly, the demands of the developing countries for such restructuring could be met only in conditions of peace, when the threat of war and hegemonism had been eliminated from international relations.

39. Another misapprehension common in the United Nations and its organs was that it would be possible to implement the Programme of Action on the Establishment of a New International Economic Order without regard to the internal economic situation of developing countries. The experience of the Byelorussian SSR and of many other countries showed that, without profound and progressive social transformations, more income from abroad would not solve basic development problems and might only increase social inequality still further.

40. Yet another misconception was that, in the 1980s and beyond, preference should be given to agricultural development rather than industrialization in the developing countries. That theory had been expressed in the work of the Preparatory Committee for the New International Development Strategy. The theory was not new, and sufficient practical experience and research were available to prove that it would not facilitate the speedy overcoming of the backwardness of the developing countries; rather, it led to the intensification of the strong-weak relationship.

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41. The process of restructuring international economic relations had come to a halt in recent years. His delegation felt that the democratization of international economic relations would facilitate advances in world trade and the developing countries' participation in it. In that connexion, he referred to the joint statement of the socialist countries at the fifth session of UNCTAD, which set out their views on the Programme of Action. The position of the socialist countries furnished real opportunities for implementing the demands of the Declaration and Programme of Action on the Establishment of a New International Economic Order, the Charter of Economic Rights and Duties of States and other progressive United Nations resolutions.

42. Protectionism was now being adopted as an active trading policy by many developed countries. The socialist and developing countries, which were most adversely affected by that policy, must work against it through joint efforts. The activities of transnational corporations were also detrimental to the economies of developing countries. In the period 1970-1977, foreign private companies had extracted \$72.2 billion in income from the developing countries, a figure which was 1.8 times the size of the flow of their new direct investment in those countries. The growing role of transnational corporations was having a destabilizing effect on the world capitalist economy and essentially amounted to economic hegemonism.

43. The capitalist monetary system was faltering, and that adversely affected the entire world economy. Drastic measures were needed, because partial ones, such as demonetizing gold, increasing the role of special drawing rights and introducing floating exchange rates, would not ensure the stability of the international monetary mechanism. The relevant agencies of the United Nations system should speed up their efforts to solve that complex and vital problem, which might be done through the further expansion of international co-operation, within the United Nations and otherwise, and mutual recognition of their legitimate interests by States with different social systems. That approach should also be fundamental to the elaboration of the new International Development Strategy for the 1980s, which should stress methods of implementing established goals and efforts to fully mobilize internal resources for development. It should take account of the experience of countries that were successfully carrying out social, economic and other structural transformations and thereby making progress in their development. The planned nature of the socialist economy facilitated such progress.

44. The experience of the Byelorussian SSR, which, as was well known, had been economically backward before the Revolution, was an outstanding example in that regard. The civil war and foreign intervention following the Revolution had totally destroyed its weak economy, but by 1926 the economy had been rebuilt, and production in 1940 had been 8.1 times greater than in 1913. Then had come the Second World War, which had cost 2,230,000 lives - one fourth of the population - and 209 cities and district centres and 9,200 villages had been ruined. Supported by all the peoples of the Soviet Union, Byelorussian workers had quickly rebuilt the economy and had even increased their productive capacity. By 1950 the level of Byelorussian industry had exceeded the pre-war level, and it was now producing over 200 times more than before the October Revolution and

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25 times more than in 1940. In recent decades, his country's economic potential had doubled every seven years. The Byelorussian SSR was now a country of highly developed industry, highly mechanized agriculture and modern science and culture. The material and cultural levels of the population were improving from year to year. Unprecedented opportunities for the all-round development of the individual and the active participation of workers in all State and social affairs had been created. In short, Byelorussia's 60-year development experience, like that of the Soviet Union as a whole, had been one of dynamic progress in all spheres of the national economy, and on the basis of that experience his delegation was prepared to co-operate constructively with all countries concerning the issues on the Committee's agenda.

45. Mr. BIKOUTA (Congo) said that the discussions in the Committee amounted in effect to an equation to be solved, and that could be done only if all demonstrated the political will that would promote conditions favourable to the achievement of national and collective self-reliance. Of course, such self-reliance could be attained only within the framework of socio-economic interdependence. Unfortunately, the discussions in international forums showed that there was doubt about the use or value of the North-South dialogue. It would not appear to be an exaggeration to say that the meagre results, to date, of that dialogue were an implicit negation of the quality of life of millions of human beings living for the most part in the southern hemisphere. The solemn statements made in various forums were often hypocritical, because the concerns expressed for the quality of human life had not been translated into action to ease misery and poverty.

46. Recent international meetings, including the fifth session of UNCTAD, had provided no reason for less pessimism. The international community had had the sad privilege of hearing, in one of those forums, that co-operation had often been transformed into confrontation and that the poor were poor because they wished to be so. Such language demonstrated the moral distance which separated the victims of the existing world economic order and those who did not know misery, hunger, poverty or vain attempts at self-reliance.

47. The hegemonistic ambitions of imperialism, the ferocity of colonialism and neo-colonialism and the absurdity of racism led to an inevitable confrontation that would be a serious threat to the future of all mankind. His delegation therefore felt that the solution to world economic problems lay solely in meeting the legitimate claims of the third world. In other words, the vision that had emerged from the sixth and seventh special sessions of the General Assembly, the programme that had resulted from the Arusha meeting of the Group of 77 and the decisions adopted at the recent Conference of Heads of State or Government of Non-Aligned Countries in Havana should all be used as an objective platform for arriving at valid solutions. If that basic premise was accepted, then an effective procedure for North-South negotiations could be obtained.

48. The recent meetings of the World Bank and IMF at Belgrade had resulted in quite negative reports with respect to the over-all external deficit and rate of indebtedness of the third world. The attitude of the industrialized countries in

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recent years had been to blame the oil-producing developing countries for the crisis in the world economy, including inflation, recession and unemployment. That gave certain developed countries the pretext for further strengthening their stranglehold on the already fragile economies of the poor countries. That threat of strangulation inevitably led to the most subtle form of dictation in order to bring the poor countries into submission.

49. Each day, his country was faced with that sad reality, and it was for that reason that, despite the acceptable results of the United Nations Conference on Science and Technology for Development, the progress made at the Third United Nations Conference on the Law of the Sea and the welcome conversion of UNIDO into a specialized agency, his delegation continued to be disturbed and somewhat pessimistic with regard to the future.

50. His delegation wished to associate itself with all those who actively supported the granting of emergency assistance to countries that had recently suffered from natural disasters. The situation in Nicaragua was the tragic consequence of the long night of tyranny which that country had suffered followed by the civil war which had led to its liberation.

51. Mr. AL-SHARAFI (Yemen) said that the Committee was meeting at the end of the Second United Nations Development Decade, and the time remaining before the special session of the General Assembly in 1980 should be used to study means of implementing the goals of the new International Development Strategy. The first two Development Decades had been disappointing because the developed countries had not done what had been expected of them. High inflation in those countries had led them to adopt protectionist measures which had already affected the developing countries. The basis for the new Strategy had therefore to be established, and his delegation hoped that the advanced countries would meet their responsibilities in that regard with a view to effecting substantial changes in international economic relations.

52. Yemen had also taken a firm stance in such relations. In the past two centuries, the capitalist countries had constantly used the developing countries as a source of raw materials which had benefited the economies of the former group of countries. The international economic system could not shake off the legacy of imperialism unless changes were made for sound and mutual co-operation. Such co-operation had not been demonstrated by the industrialized countries at the fifth session of UNCTAD. The Conference on Science and Technology for Development too had almost failed, a compromise being reached only at the end.

53. In order to establish the new international economic order, developing countries should depend on themselves and co-operate with each other in order to exploit their natural resources. Such an effort would have a great effect in the developing countries themselves and in the world as a whole. It was for that reason that Yemen maintained trade relations and carried out joint projects with other developing countries, both within the framework of the United Nations and in bilateral and multilateral arrangements. Yemen would also continue to work to create co-ordination and co-operation within its own region in order to achieve its economic unity. In fighting backwardness to develop its national economy, Yemen hoped that the advanced countries would recognize their obligations to the developing countries and translate their words into action.

54. Mr. D'ABZAC (Chad) said that, despite the many efforts made at the international level since the sixth and seventh special sessions of the General Assembly, the deterioration of international economic relations had continued, adversely affecting all the peoples of the world. All States Members of the United Nations were agreed on the need for a profound change in world trading structures and, in order to achieve that, full account must be taken of the interdependence of structural transformations in developed and developing countries. However, instead of the effective implementation of solutions on which the entire world was agreed, from one session of the General Assembly to the next, from one session of UNCTAD to the next, various negotiating groups continued to reiterate the same proposals and redraft the same documents which had no practical scope. The United Nations, the only appropriate forum for world dialogue, should ensure that the decisions taken there were given practical effect. Today more than ever before the peoples of the world, and particularly those of the third world, were suffering from unfavourable economic conditions which could be brought to an end only if there was the necessary political will.

55. His delegation wished to draw attention to the statement made at the 19th plenary meeting of the General Assembly by the Commissioner of State for Foreign Affairs and Co-operation of Chad, in which he had appealed to the international community for emergency assistance for the reconstruction of the Republic of Chad. In 1965, five years after Chad's accession to independence, the Front de libération nationale du Tchad (FROLINAT) had risen up against the central authorities because of tribalism, regionalism, waste and social injustice. It had struggled for 13 years so that the people of Chad could recover their freedom against all forms of oppression and be united, regardless of all tribal or regional considerations.

56. Unfortunately, Chad, one of the least developed countries in the world, disadvantaged by its land-locked position and severe climatic conditions with long periods of drought, was undergoing, after 19 years of economic recession and 13 years of armed struggle, economic difficulties of all sorts which it could not overcome by itself. Agriculture and livestock production were on the decline. Roads throughout the country had deteriorated for lack of maintenance. Telecommunication infrastructures and the national radio broadcasting station had been damaged during the fighting in the capital. In public health, medicine of every kind was lacking and the operating rooms and maternity wards of the central hospital in the capital lacked oxygen for emergency cases. Urgent action was also needed with regard to the beginning of the school year, because of the lack of essential educational material. It should also be noted that most technical assistance teaching staff had left the country.

57. Those problems could not be overcome without help from the international community. In reiterating the appeal made by the Chairman of the Chad delegation, he urged members of the Committee to respond by adopting the draft resolution on emergency assistance for the reconstruction of the Republic of Chad which would be submitted shortly. Lastly, he wished to thank those countries, such as Egypt and the Federal Republic of Germany, which had taken generous and prompt action during the most critical periods.

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58. Mr. AL-MOSFIR (United Arab Emirates) said that, since joining the United Nations in 1972, his country had made every effort to apply the principles of the Charter and had fulfilled all the obligations of membership. With regard to the developing countries, his Government had not confined itself to either long-term or short-term loans but had provided large scale financial assistance and had participated in many funds to help their economies.

59. In recent years, the international economy had been experiencing its worst crisis, the effects of which on the behaviour of the imperialist countries were felt by the developing countries, still recovering from the effects of colonization, in the form of an imbalance in trade and mounting debts which reduced their available resources for development. Some of the developed countries had attempted to mitigate the effects of inflation and recession on their economies by adopting measures, so far unsuccessfully, which had in turn led to economic crises in the economies of the third world countries. The failure of partial measures reaffirmed his delegation's belief that the economic problems besetting the existing economic system were the result of the inherent structural weaknesses of that system. The only way to help the international economic community was to reformulate economic relations between countries in terms of a new international economic order based on equitable principles.

60. The failure of the fifth session of UNCTAD to achieve its objectives was attributable to the fact that the problems of the developing countries had not yet had a sufficient impact on the markets of the advanced countries, which had resisted the attempts to reform the international economic order and had in some cases refused to pledge contributions to the Common Fund.

61. The evils of the existing economic system, which served the interests of the imperialist countries, could only be remedied through the application of the principles of the new international economic order. Despite the proliferation of organizations and programmes and the bilateral and multilateral agreements which had been concluded, the situation in the third world had in no way improved. The income of third world countries, including the oil-producing countries, represented a mere 30 per cent of world GNP. The capitalist countries continued to profit from existing transport, insurance and marketing arrangements; for example, one major marine insurance company had declared the Arabian Gulf a war zone, a decision which had led to an increase in transport costs and hence in consumer prices. It should be noted that the developing countries obtained 40 per cent of their loans from IMF and the World Bank, a factor which contributed to their continuing dependence on the advanced countries. When the developing countries had asked the industrialized countries for an allocation of 12 per cent of their GNP for development assistance, they had responded with a mere 0.7 per cent, a figure which had subsequently fallen further to 0.3 per cent. In contrast, his country had allocated more than 10 per cent of its GNP to development assistance for the countries of the third world.

62. In the Middle East, attempts to achieve economic integration always encountered the stumbling-block of the State of Israel. Zionist occupation of Palestinian territory and of land belonging to three States Members of the United Nations was a major challenge to the Organization and to human dignity and civilization. Nor was the situation in southern Africa any more satisfactory.

(Mr. Al-Fosfir, United Arab Emirates)

63. Since 1973 international bodies had been discussing energy, by which they principally meant the problem of oil supplies. The industrialized countries attributed the current economic crisis to increases in oil prices. It should be pointed out, however, that the beneficiaries of those increases were the oil companies and their affiliates, which were responsible for all the prospecting, extracting, transport, refining and marketing of oil; their profits and those of their Governments, which levied exorbitant taxes at every stage of the oil production process, were the true cause of the current widespread inflation. If the industrialized countries claimed that high oil prices led to economic instability, they should lower the taxes their Governments imposed on oil. He also noted that, while the conscience of the international community was not disturbed when an advanced industrial country raised the price of wheat, with grave consequences for the developing countries, any attempt by the countries of the third world to increase the prices of their raw materials aroused a general protest.

64. In conclusion, he said that the members of OPEC joined with the countries of the third world in trying to ensure the security and welfare of their peoples and a prosperous future for coming generations. They also joined with them in regretting that the billions of dollars spent annually on arms were not being channelled into development.

65. Mr. VALTASAARI (Finland) said that when the international community, at the sixth and seventh special sessions of the General Assembly, had accepted the need for a new international economic order, it had also accepted the necessity of far-reaching structural changes at both international and national levels. However, achieving agreement on the implementation of such changes through international negotiations had proved to be a task of extreme complexity. The time which had elapsed since the sixth and seventh special sessions had largely been spent in seeking proper forms and directions of negotiation, while both the global economic situation and the situation in the national economies of most countries had deteriorated or, at best, had been over-shadowed by gloomy prospects.

66. None the less, the pursuit of the new international economic order by means of a continuous dialogue had been firmly established as a central element of international politics. All countries had repeatedly affirmed their commitment to the basic aims agreed upon at the two special sessions, and the interdependence of all countries and peoples had been clearly demonstrated. That principle had been reaffirmed in the proposal by the Group of 77, at the September meeting of the Committee of the Whole, to initiate a global round of negotiations on the most crucial current economic issues. The integration of negotiations on the subject areas specifically mentioned in the proposal with negotiations in other forms and with the preparatory work for the new International Development Strategy gave a much needed unity to the many-faceted process of negotiation.

67. His delegation saw the new International Development Strategy as a set of operational and fairly specific targets and measures. Progress in drafting the Strategy had not been satisfactory, but he felt that there was a new sense of urgency in the Committee's work, reflected in the willingness of all parties to

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(Mr. Valtasaari, Finland)

contribute to the debate. If that willingness was in due course translated into commitments to objectives and targets on raw materials, including energy; industrialization; food production; environment; trade and finance, it would be possible to face the coming decade with new confidence. That confidence would also help in reaching an understanding at the national level on the inevitable structural changes which were basic to the integration of economic and social development.

68. In their proposal on the global round of negotiations, the Group of 77 had stressed the primacy of the United Nations system as the procedural framework for the North-South dialogue. Apart from universality of participation, the United Nations system also gave a certain coherence to the negotiating process, and placing the dialogue firmly within it would contribute to a clearer understanding of the interdependence of the issues involved. Needless to say, his Government also attached great importance to other organizations, such as GATT, and it regarded the recently concluded round of multilateral trade negotiations as a positive and constructive contribution to the development of world trade.

69. It was important to use every part of the United Nations system effectively in pursuing the dialogue. Within the system, UNCTAD had an acknowledged role in matters of trade and development, both as a forum for negotiations on particular issues, such as the Integrated Programme for Commodities and the Code of Conduct on the Transfer of Technology, and in reviewing the general patterns of production and trade in the world economy. It was in those areas that UNCTAD had achieved significant progress in 1979, in particular with the negotiations on natural rubber.

70. Although the results of the fifth session of UNCTAD had on the whole been considered disappointing, progress had been achieved in a number of basic questions. His delegation believed that the Comprehensive New Programme of Action for the least developed countries, adopted by consensus at that session, must be effectively implemented and closely integrated into the new International Development Strategy. Finland, for its part, channelled approximately half of its official bilateral development assistance to the least developed countries. Their share remained on that high level in the Government's budget proposal for 1980, in which over-all ODA was considerably increased.

71. The issue of energy and its relations to other problem areas was at the very core of international economic co-operation. More than any other economic phenomenon in recent years, changes in the global energy situation had made it necessary to recognize the interdependence of all countries and the need for each country to share in the collective effort to improve a situation in which the oil-importing developing countries stood at the greatest disadvantage. His Government's policy on energy was based on two parallel lines of action: energy conservation and the promotion of indigenous energy sources. The programme aimed, inter alia, at keeping the increase in total energy consumption below the increase in the real GNP and had set a target of about 10 per cent for energy saving by 1990. The share of indigenous energy sources would increase to approximately 40 per cent by the end of the 1980s from the less than 30 per cent of total

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(Mr. Valtasaari, Finland)

consumption in the current year. That was one example of his country's determination to adjust its national economy to the new realities of the global economic situation. His Government also took an active interest in the efforts to develop new energy sources which could be used to alleviate the problems of energy-importing countries, particularly the hardest-hit developing countries. His delegation would give its detailed views on that matter under the appropriate agenda item and with reference to the forthcoming Conference on New and Renewable Sources of Energy. The Conference itself and the preparatory work for it at both the secretariat and the intergovernmental levels should concentrate on practical questions related to the development and dissemination of new technologies and must avoid concentrating on the institutional and similar issues which had characterized many United Nations conferences in the past.

72. The special session of the General Assembly scheduled for 1980 must become a real turning-point in the North-South dialogue, although he was aware that the complex preparations for that session would impose a strain on the participating delegations and on the secretariats of the United Nations system.

73. The capacity of the United Nations system in economic and social matters continued to give his delegation concern. It feared that the deadlock on the question of restructuring the work of the Economic and Social Council was merely a symptom of a wider malaise and that the United Nations system, at both the intergovernmental and the secretariat levels, might be in the process of becoming unmanageable. The number of meetings concerned with economic and social affairs held under United Nations auspices had long since exceeded the handling capacities of all Members, except perhaps the major Powers, and new secretariats were being established at the rate of several a year. More than one third of the funds channelled for development through the system were used for administrative costs. He hoped that the debate on that subject in 1980, on the basis of General Assembly resolution 33/202, would not prove to be another manifestation of the indifference of Member States to the difficulties facing the United Nations system or their inability to tackle them.

74. He drew encouragement from the fact that the current session of the General Assembly promised to become more decisive for progress in the North-South dialogue than any since the seventh special session and that a lengthy period of search and experimentation had confirmed the usefulness of the United Nations as the forum for that dialogue. That alone should be sufficient to inspire confidence in the Committee's work and to encourage members in their continuing search for equity and justice in the world economy.

The meeting rose at 5.50 p.m.