

United Nations
GENERAL
ASSEMBLY

THIRTY-SECOND SESSION

Official Records *



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SECOND COMMITTEE
62nd meeting
held on
Thursday, 15 December 1977
at 11 a.m.
New York

SUMMARY RECORD OF THE 62nd MEETING

Chairman: Mr. JANKOWITSCH (Austria)

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Distr. GENERAL
A/C.2/32/SR.62
19 December 1977

ORIGINAL: ENGLISH

The meeting was called to order at 12.10 p.m.

AGENDA ITEM 67: ASSESSMENT OF THE PROGRESS MADE IN THE IMPLEMENTATION OF GENERAL ASSEMBLY RESOLUTIONS 2626 (XXV), 3202 (S-VI), 3281 (XXIX) and 3362 (S-VII), ENTITLED RESPECTIVELY "INTERNATIONAL DEVELOPMENT STRATEGY FOR THE SECOND UNITED NATIONS DEVELOPMENT DECADE", "PROGRAMME OF ACTION ON THE ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER", "CHARTER OF ECONOMIC RIGHTS AND DUTIES OF STATES" AND "DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION" (continued) (A/C.2/32/L.44, L.72, L.100, L.101)

1. The CHAIRMAN said that draft resolution A/C.2/32/L.101 was the result of informal consultations held under the leadership of Mr. Oliveri López, Vice-Chairman of the Committee, whom he invited to introduce the draft resolution.
2. Mr. OLIVERI LÓPEZ (Argentina), Vice-Chairman, said that, from the beginning of the Committee's discussion of agenda item 67, the question of establishing a suitable body to oversee and monitor the implementation of the decisions and agreements reached in the negotiations on the establishment of the new international economic order and in the continuation of the North-South dialogue had been referred to as the major issue before the Committee. The earnestness and high quality of the dialogue which had been carried on concerning draft resolution A/C.2/32/L.44, submitted by the Group of 77, had confirmed that prevailing view. He expressed appreciation for the maturity shown by the participants, especially the representatives of developing countries, in the discussion regarding the alternative draft resolution (A/C.2/32/L.72), some of whose provisions had been incorporated in draft resolution A/C.2/32/L.101, as had certain suggestions made by the States members of the European Economic Community. The consolidated draft resolution was an exemplary case of interchange between the different schools of thought represented in the Committee.
3. As a result of further consultations, the following foot-note to operative paragraph 3 should be inserted in order to facilitate the participation of Switzerland in the proposed monitoring body: "It is understood that the committee of the whole will be open to all States, this term being interpreted in accordance with the established practice of the General Assembly". According to the Office of Legal Affairs, the foot-note would have the desired effect without leading to any other consequences.
4. Operative paragraph 1 reflected the general conviction of Member States that the establishment of the new international economic order should take place within the broad framework of the United Nations system. In accordance with the consultations, which had been held, it was understood that that paragraph was without prejudice to the mandates of other bodies.
5. It had become apparent during the consultations that delegations attached particular importance to the provisions of paragraphs 6 and 7. Paragraph 10 reflected the intention to maintain the functions of the Economic and Social Council as they were.

(Mr. Oliveri López, Argentina)

6. He was confident that the draft resolution before the Committee would, in time, prove to have been a turning-point in the achievement of a more just and equitable international economic order.
7. The CHAIRMAN conveyed to Mr. Oliveri López the Committee's appreciation for his distinguished labours with regard to draft resolution A/C.2/32/L.101.
8. Mr. HALL (Jamaica), speaking on behalf of the Group of 77, said that, in view of the consensus reached on draft resolution A/C.2/32/L.101, his delegation would withdraw draft resolution A/C.2/32/L.44.
9. Mrs. WELLS (United States of America) said that, as the consultations had been productive and draft resolution A/C.2/32/L.101 incorporated many elements of draft resolution A/C.2/32/L.72, her delegation would withdraw the latter draft resolution.
10. Draft resolution A/C.2/32/L.101 was adopted without a vote.
11. Mr. LOQUET (Belgium) said that the States members of the European Economic Community were happy to join in the consensus on the draft resolution. They welcomed the spirit of compromise which had prevailed in the negotiations. The consensus achieved reflected a carefully worked out equilibrium with regard to various considerations and problems on which the positions of Member States were well known; those positions had been respected. The EEC countries hoped to make a constructive contribution within the framework established by the draft resolution, which also called attention to the positive role that should be played by the Economic and Social Council. The adoption of the draft resolution ushered in a new phase in the work of the United Nations, the hallmark of which would be the promotion of international economic co-operation.
12. Mrs. WELLS (United States of America) said that her delegation, like others, saw the major decision taken by the Committee in draft resolution A/C.2/32/L.101 as a highly significant step in the continuing dialogue on world economic problems, for whose solution all Member States should continue to strive. She hoped that the spirit which had prevailed in the consultations would be carried forward in the new Committee of the Whole, in the Second Committee and in the various other forums where international economic co-operation and the building of a new international economic order could be advanced.
13. The purpose of the draft resolution was the establishment of a supervisory mechanism with respect to the continuing dialogue on global economic problems. Her delegation hoped that the mechanism created and the mandate given to it would ensure a truly constructive framework for that dialogue, both by providing a means for high-level exploration and exchange of views and by encouraging the work of specialized bodies dealing with specific issues. Her delegation looked forward to playing its part in organizing the work of the new Committee of the Whole, which should also contribute an additional element of cohesion to the work of the United Nations system. No task of the United Nations was more important than helping to stimulate the necessary measures to provide a better life for all peoples.

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(Mrs. Wells, United States)

14. Since draft resolution A/C.2/32/L.101 reflected the prevailing spirit of compromise, it could not be fully satisfactory to any single delegation. To the extent that it did not fully express the position of her Government, she wished to state certain reservations and interpretations concerning the draft resolution.

15. With respect to operative paragraph 1, the Vice-Chairman's clarification to the effect that its provisions did not affect the mandates of other bodies was particularly important in view of negotiations currently under way, such as the Geneva Multilateral Trade Negotiations. While it was a sovereign right of all States to negotiate as they wished in the absence of treaty obligations to the contrary, and it was therefore possible that some future negotiations might take place outside the United Nations system, it was clear that there was general agreement on the desirability of carrying forward the central elements of the North-South dialogue within the framework of the United Nations.

16. Her delegation appreciated the compromise arrived at with respect to paragraph 4, eliminating what could have been seen as a suggestion that the Committee of the Whole might, in certain instances, intervene in negotiations in progress in specialized bodies, or even assume the negotiating role itself on unresolved issues. Negotiations should remain the province of the specialized bodies, in accordance with their constitutions and practices. It was the understanding of her delegation that the word "monitoring", as used in the draft resolution, did not imply the function of passing judgement on the performance or compliance of individual countries or national entities on given issues.

17. Her delegation accepted paragraph 11 on the understanding that the words "within agreed and specific time-frames" referred to time-frames to be set by the respective negotiating bodies themselves, and not by the Committee of the Whole.

18. Her country had, on previous occasions, voiced its sympathy with and support for the promotion of a new international economic order, in the sense of a broad, evolving concept providing an over-all framework for dialogue and progress in the achievement of a more productive and equitable world economy, as distinct from the specific resolutions of the sixth special session, to certain provisions of which her Government maintained its reservations.

19. With further reference to paragraph 11, which called on the international community to make new and resolute efforts to secure positive and concrete results, her Government affirmed its own intention to make resolute efforts but felt that similar efforts would have to be made by all countries, domestically and internationally, if man was to achieve a fuller economic and social life.

20. Mr. DELIVANIS (Greece) said that his delegation had participated in the discussions which had been held in order to smooth out the differences between the sponsors of draft resolution A/C.2/32/L.44 and the other countries. It had appreciated the successful efforts of the Vice-Chairman to secure general agreement and had accordingly voted for draft resolution A/C.2/32/L.101. While hoping for the best possible economic development, his delegation must express a reservation concerning the fact that no mention was made in the draft resolution of the need

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(Mr. Delivanis, Greece)

to abolish monopolies and unfair discrimination in the new international economic order. His delegation had already mentioned the disadvantages deriving from the maintenance of closed liner conferences which excluded the ships of developing countries, and in general of those countries which had not been admitted when the liner conferences were set up. It seemed essential to remove barriers aimed simply at reducing the receipts of developing countries or even at increasing those of some developed countries.

21. Mr. van BUUREN (Netherlands) said that his delegation had been happy to join in the consensus on draft resolution A/C.2/32/L.101, which had set up a framework that it believed would be instrumental in establishing the new international economic order. His delegation also welcomed the decision to convene a special session of the General Assembly in 1980, which would bring together the various strands of the ongoing negotiations on the new international economic order and of the preparations for a new strategy. It was pleased that the draft resolution emphasized the relationship between the overseeing and monitoring function and the role of the Economic and Social Council in the preparations for the new strategy.

22. However, his delegation regretted that it had proved impossible to include in the draft resolution the identification of specific subjects with which the Committee of the Whole would deal on a priority basis. Those priorities would have included negotiations on the implementation of the Integrated Programme for Commodities and an early agreement on a common fund; negotiations on debt; the implementation of United Nations special actions agreed at the Conference on International Economic Co-operation; the Multilateral Trade Negotiations in GATT as an instrument for structural change, since the outcome would have far-reaching implications for industrialization, investment and trade; international investment; action in the agricultural field, including making the International Fund for Agricultural Development operational, and world food security policies in the framework of the World Food Council; and the energy problem. In the view of his delegation, the first task of the Committee of the Whole should be to identify the urgent subjects for discussion.

23. A second task of the new Committee would be to set specific time-frames for the various negotiations, not leaving that task to the actual forums in which the negotiations were taking place. That was his delegation's interpretation of paragraph 11 of the draft resolution. The sense of urgency mentioned in that paragraph meant that the new Committee should meet as early as possible in 1978. The urgency stemmed, on the one hand, from the pledge given at the Conference on International Economic Co-operation to implement certain commitments made earlier and to engage in negotiations on others and, on the other hand, from the need to finalize those commitments and negotiations well before the special session of the General Assembly in 1980 in order to incorporate those elements on which progress had been made into the new development strategy.

24. His delegation hoped that the Committee of the Whole would become a focal point, assisting the General Assembly in its task of overseeing and monitoring, providing an impetus to and facilitating ongoing negotiations, and exchanging views on global economic problems.

25. Mr. ZACHMANN (German Democratic Republic), speaking on behalf of the delegations of Bulgaria, the Byelorussian SSR, Czechoslovakia, the German Democratic Republic,

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(Mr. Zachmann, German Democratic Republic)

Hungary, Mongolia, Poland, the Ukrainian SSR and the USSR, said that those delegations had not opposed the adoption without a vote of draft resolution A/C.2/32/L.101, in deference to the view of the developing countries that implementation of the proposed measures could facilitate the process of establishing the new international economic order.

26. However, the delegations for which he spoke were also convinced that the success of the struggle to restructure international economic relations on a just, democratic and equitable basis was not dependent upon the establishment of new United Nations bodies, which in many cases were unnecessary. Obviously, since there were still forces which refused to implement the progressive provisions adopted at the sixth special session of the General Assembly and those of the Charter of Economic Rights and Duties of States, it was not to be expected that radical decisions would be taken for the restructuring of international economic relations on a mutually advantageous basis. Experience showed that the creation of new organs led, in most cases, to dispersal of effort and unjustified growth in expenditure under the regular budget of the United Nations, thus reducing the effectiveness of United Nations activities.

27. He therefore wished to express serious doubts as to the need for the range of institutional and organizational arrangements proposed in the resolution. The task of assessing the progress made in the various forums of the United Nations system towards the establishment of a new international economic order and the adoption of a new development strategy for the 1980s could be successfully carried out at the regular sessions of the General Assembly and of the Economic and Social Council and its subsidiary bodies, and also in UNCTAD and UNIDO. Nothing in draft resolution A/C.2/32/L.101 should be interpreted as diminishing the authority with which the Economic and Social Council was endowed by virtue of the Charter of the United Nations.

28. Mr. BROWN (Australia) said that the achievement of a consensus on draft resolution A/C.2/32/L.101 should help to assure its successful implementation. In endorsing the establishment of the new Committee of the Whole, his delegation expected that it would review the negotiations in the United Nations system on the establishment of a new international economic order and suggest ways to facilitate those negotiations. The Committee of the Whole should not be a second tier for detailed negotiations being carried on in other United Nations organs, and the autonomy and the mandate of those organs should continue. The Committee should not impose restrictions on participation in the negotiations, nor should it delay them, although the negotiations were admittedly complex and would take time; however, his delegation appreciated the concern that they should proceed within specific time-frames. The progress made in the negotiations during 1977 was further evidence of the need for effective co-operation between the developed and the developing countries, and he expected the new Committee to play a constructive role in that regard.

29. Mr. AKTAN (Turkey) said his delegation was glad that draft resolution A/C.2/32/L.101 had been adopted by consensus, and considered it a great step forward. It would contribute to the democratization of international economic

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(Mr. Aktan, Turkey)

relations, and would overcome the handicap of fragmented individual efforts to establish the new international economic order. A forum in which all Member States would be represented was of the utmost importance, and he was sure that the Committee of the Whole would efficiently discharge its responsibilities. Its main function would be to oversee and monitor the progress of negotiations and to co-ordinate the work of United Nations organs and agencies towards that common objective. The Committee would have the assistance of high-level national experts, and would be able to remove obstacles in the negotiating forums. The actual words used to describe its functions were of secondary importance; what was most important was the effective discharge of its urgent task. His delegation attached importance to the achievement of results in establishing the new international economic order within specific time-frames, and hoped that the Committee of the Whole would promote an atmosphere of dialogue and co-operation that would foster political will.

30. Mr. KANAZAWA (Japan) welcomed the adoption by consensus of draft resolution A/C.2/32/L.101. It presented a challenge to be met by all in a spirit of dialogue and co-operation, and the establishment of the Committee of the Whole would foster that spirit. Japan had participated in the North-South dialogue in that spirit and would continue to do so, since only dialogue and co-operation could improve the world economy. A matter which still required clarification was the methods of work of the Committee of the Whole, but he hoped that it would constitute an effective forum for the task entrusted to it.

31. Mr. CHAO Kung-ta (China) said that his delegation supported the adoption of the draft resolution by consensus. Many unrelated efforts had been made by the developing countries to achieve the establishment of the new international economic order, but the struggle had been hindered by the stagnation of certain major economic negotiations. He was concerned at the failure of negotiations on the Common Fund, which showed that the situation was urgent. Draft resolution A/C.2/32/L.101 was an attempt to overcome existing obstacles, and registered concern at the widening gap between the developed and the developing countries. It reaffirmed the need to make resolute efforts to secure results within specific time-frames. Because of the obstacles posed by the developed countries and the sabotage of the super-Powers, a tremendous effort was still needed to achieve the objectives of the draft resolution. The countries of the third world would unite their efforts in future negotiations to establish the new international economic order.

32. Mr. HALL (Jamaica), speaking on behalf of the Group of 77, noted that draft resolution A/C.2/32/L.101 was largely based on draft resolution A/C.2/32/L.44, and was the outcome of arduous and intensive negotiations. The text reaffirmed the need to create a mechanism for overview and monitoring. The Group of 77 interpreted the mandate of the new Committee of the Whole as being to oversee and monitor the implementation of decisions reached in the negotiations on the establishment of the new international economic order. The Committee would not be concerned with overseeing and monitoring related activities in individual countries, although those activities would influence the nature of the discussion in the Committee.

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(Mr. Hall, Jamaica)

33. The Group of 77 wished to emphasize that it interpreted operative paragraph 1 strictly; all negotiations of a global nature on the new international economic order should take place within the framework of the United Nations. The Group considered that the sense of urgency and time-frames referred to in operative paragraph 11 related to the convening of a special session of the General Assembly in 1980, and expected that the relevant bodies of the United Nations would operate within that time-frame. With regard to the twelfth preambular paragraph, which referred to the growing gap between developed and developing countries, the view of the Group of 77 was that further resolute efforts by all, and particularly by the developed countries, were needed to reduce that gap. Meaningful action by the developed countries in the negotiations was essential, in order to achieve something more than limited results, which only contributed to exacerbating relations between developed and developing countries.

34. In the view of the Group of 77, priority areas for consideration by the Committee of the Whole should be: the Integrated Programme for Commodities, including the Common Fund; the Multilateral Trade Negotiations, scheduled for completion by May 1978; additional measures related to compensatory financing facilities; increased transfer of resources to the developing countries, and especially an expansion of official development assistance, to attain the target of 0.7 per cent of GNP by 1980; international monetary reform to meet the needs of the developing countries for a better distribution of international liquidity and a full part in decision making; resolution of the immediate and long-term debt problems of developing countries; the role of UNIDO and of the Lima Declaration in strengthening the industrial capacity of developing countries; a code of conduct on the transfer of technology; food problems, in the light of the decisions of the World Food Conference; resolution of the special problems of the least developed, land-locked and island developing countries and the most seriously affected countries, in accordance with United Nations decisions; and improvement of transport and communications in developing countries, particularly in Africa.

35. Those areas were of special importance to developing countries, and it was to be hoped that the Committee of the Whole would consider them fully. Because of the urgency of the Committee's work, it should be convened very early in 1978, either towards the end of January or in early February. He hoped that a unanimous decision could be reached concerning the date, so that the Secretary-General could be asked to make the necessary arrangements.

36. Mr. JÖDAHL (Sweden) said that his delegation shared the sense of urgency concerning the first meeting of the new Committee of the Whole. However, as other meetings were scheduled for early 1978 and participants would need time for preparation, he suggested that early February would be a better time than January.

AGENDA ITEM 58: UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT (continued),
(A/C.2/32/L.85/Rev.1)

37. Mr. TUKAN (Jordan), introducing draft resolution A/C.2/32/L.85/Rev.1 on behalf of the sponsors, said that certain changes had been made in the text after a useful

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(Mr. Tukan, Jordan)

exchange of views in informal consultations. A new first preambular paragraph recalling General Assembly resolutions 3201 (S-VI), 3202 (S-VI) and 3281 (XXIX) had been introduced. In the seventh preambular paragraph, the wording "has been convened" had been changed to "will be convened" in order to reflect the actual situation. The sponsors had agreed that the recommendation in operative paragraph 1 should be addressed only to Member States concerned and the competent international organizations and that the word "due" should replace the word "active". In paragraph 4, the word "all" in the first line had been deleted and the phrase "without prejudice to existing international agreements" had been added. Paragraph 5 had been replaced by a new paragraph intended to accommodate points which had been raised regarding the terms of reference of the Governmental Group of Experts and the need to make full use of ongoing work on the brain drain problem, and paragraphs 6 and 7 had been replaced by a new paragraph 6 taking into account all ongoing work. The sponsors hoped that the draft resolution would be adopted by consensus, which those changes had been designed to facilitate.

38. Mr. SEVAN (Secretary of the Committee) read out the following statement of the financial implications of draft resolution A/C.2/32/L.85/Rev.1:

"In paragraph 5 of the draft resolution, the General Assembly would request the Secretary-General, in co-operation with the United Nations Conference on Trade and Development and the International Labour Organisation, and taking into account the recommendations made by the Governmental Group of Experts on Reverse Transfer of Technology, to undertake an in-depth study of the brain drain problem, taking into account specific proposals made on this subject, including the proposal referred to in the seventh preambular paragraph.

"The work programme of UNCTAD for 1978-1979 contained in document TD/B/643/Add.1 refers to this activity in the following way:

'The outflow of trained personnel from developing countries will be the subject of a meeting of governmental experts to be held in January or February 1978. The secretariat's work in this area is expected to continue at about the present level, with an increasing concentration on formulating recommendations for possible policies and measures. The precise nature of this work during the biennium will depend on the conclusions of this meeting and on intergovernmental decisions. Arrangements between UNCTAD and the Department of Economic and Social Affairs of the United Nations Secretariat have been worked out for co-operation in carrying out the studies in this field.'

"The scope of the in-depth study proposed in the draft resolution may well have financial implications in the sense that more work may be required than had originally been intended. The Secretary-General is not at present in a position to quantify the additional work involved, but reserves the right to return to this question in the first performance report on the programme budget for the biennium 1978-1979."

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39. Mr. RIEMER (United States of America) said that, in accordance with the usual practice, the first preambular paragraph should have included a reference to General Assembly resolution 3362 (S-VII).

40. Mr. TUKAN (Jordan) pointed out that that resolution was mentioned in the fourth preambular paragraph.

41. Mr. RIEMER (United States of America) said it was his delegation's understanding that one of the existing international agreements referred to in operative paragraph 4 was the Universal Declaration of Human Rights.

42. Draft resolution A/C.2/32/L.85/Rev.1 was adopted without a vote.

43. Mr. KOCH (Federal Republic of Germany) said his delegation regretted that it had not been possible to solve all the difficulties connected with the draft resolution, but noted that that had been due merely to the complexity of the brain drain problem. His delegation welcomed the fact that the study would examine all aspects of the problem, rather than only some. Financial compensation was not a suitable means for solving that complex problem; on the contrary, it would complicate it even further. The Secretary-General should take that into account when preparing the study.

44. Mrs. COURSON (France) said that it was premature to give consideration to a system of compensation for loss of personnel before a prior study on the magnitude, composition, causes and effects of the brain drain had even begun. Her delegation also felt that that study should be undertaken by ILO rather than UNCTAD, which was not competent in such matters.

45. Mr. NELLI FEROCI (Italy) welcomed the new formulation of paragraph 5.

46. Mr. DALTON (United Kingdom) said that he agreed with the statements made by the representatives of the United States and the Federal Republic of Germany.

The meeting rose at 1.25 p.m.