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New York

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SUMMARY RECORD OF THE 14th MEETING

Chairman: Mr. GHEZAL (Tunisia)

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The meeting was called to order at 10.30 a.m.

AGENDA ITEM 82: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION

(a) PREPARATION OF AN INTERNATIONAL DEVELOPMENT STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE (1991-2000) (continued) (A/44/41)

1. Mr. COREA (Chairman of the Ad Hoc Committee of the Whole for the Preparation of the International Development Strategy for the Fourth United Nations Development Decade) said that the Ad Hoc Committee had held three sessions - one organizational session and two on substantive issues. The first substantive session, held in June, had been devoted to an exchange of views on the general nature and objectives of the international development strategy. At its second substantive session, held in September, the Committee had considered the adoption of the structure to be given to the strategy. The deliberations of that session had taken place in an extremely positive and constructive atmosphere. The co-operation spirit shown by all delegations in the preparation of the strategy augured well for the future work of the Committee. The session had witnessed the emergence of a clear convergence of views on the main issues to be included in the strategy, which had surpassed hopes since it had made it possible to formulate a fairly precise outline for the strategy. Some groups of countries had been able to agree on the issues to be included in the strategy, but the Committee had not had sufficient time to proceed to an exchange of views with the groups as a whole.

2. The Ad Hoc Committee's next session, to be held in January, would last for two weeks, which was one week longer than the previous sessions. That would make it possible for a number of issues to be examined in detail. He would like the Ad Hoc Committee to organize its work in such a way as to be able to examine each of those issues, which could serve as a basis for the elaboration of the final text of the strategy. It might begin by giving a general outline of the fourth United Nations development decade and examining the possibilities and challenges associated with that decade, and then studying the question of reactivating the development process, particularly in the third world countries. It would also have to tackle special problems such as the alleviation of poverty, the environment, and human resources development, and seek ways to bridge the gap between the developing and developed countries at the level not only of general development but also at that of resources and technical know-how. The Ad Hoc Committee would also have to examine the sectoral questions and objectives which would have to be formulated in the strategy. The United Nations organs as a whole were invited to make their contribution to that undertaking. In examining the development process, the Ad Hoc Committee would also consider regional problems such as those of the least developed and island developing countries. Lastly, it would have to study the question of complementary activities and, in that regard, provide for implementation and monitoring mechanisms for the strategy.

3. Those six major categories of questions should be included in the outline of the strategy which he hoped to see finalized before the January session. He did not expect the strategy to resolve all the problems that might arise during the

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(Mr. Corea)

next decade but to pave the way for a new phase of co-operation between States with a view to reaching a consensus on a number of problems.

4. Mr. RAZALI (Malaysia), speaking on behalf of the Group of 77, said that the formulation of the new international development strategy provided an opportunity to make up for the lost decade of development of the 1980s and to agree on a set of overall and sectoral objectives and progress indicators, which would make it possible to improve the international environment and eliminate the negative factors impeding the development process. In the opinion of the Ninth Conference of Heads of State or Government of Non-Aligned Countries, held at Belgrade, the international development strategy should provide a coherent framework for international co-operation in the 1990s and indicate the commitments to be undertaken to ensure, in the common interest, the economic and social progress of developing countries. At the second substantive session of the Ad Hoc Committee of the Whole for the Preparation of the International Development Strategy for the Fourth United Nations Development Decade, the Group of 77 had put forward a proposal for the outline of the strategy. During the informal consultations held during the session, the European Community had also presented an informal document in response to the views of the Group of 77. The Group of 77 and the European Community had considered that the European Community's document could, with some modifications take into account the views of all interested parties, be the basis for the outline of the strategy. Owing to lack of time, however, the Ad Hoc Committee had not been able to reach a definitive conclusion on the outline.

5. He thought, as did Mr. Corea, that agreement on the final text of the outline of the strategy should be reached before the next substantive session, particularly since the Ad Hoc Committee was very close to reaching consensus on that question and since the members of the Bureau were participating in the current session of the General Assembly. Moreover, the Second Committee's deliberations would be facilitated by the contributions which the various intergovernmental bodies within the United Nations system and the regional commissions could make to the work of the Ad Hoc Committee.

6. In the opinion of the Group of 77, the outline of the strategy should include a chapter on each of the following items: preamble, global objectives, sectoral goals and policy measures, role of United Nations organs, and review and appraisal. Emphasis should be given to four main items not covered by the previous strategy, namely the external debt crisis, eradication of poverty, human resources development, and commodities. At the same time, the new strategy should continue to address issues such as international trade, resource flows, technology, industrialization, food and agriculture, the least developed countries, and the island and land-locked developing countries. The Group of 77 would welcome any initiative designed to facilitate a formal agreement on the outline of the new strategy.

7. Mr. PASHKEVICH (Byelorussian Soviet Socialist Republic), speaking also on behalf of Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, Ukrainian SSR, and the Union of Soviet Socialist Republics, recalled that those countries had set forth their position in detail in document A/AC.232/L.4.

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(Mr. Pashkevich, Byelorussian SSR)

The international development strategy, in addition to meeting the challenges inherent in the gap between the poor and rich countries, the spread of underdevelopment, currency instability, distorted trade and financial flows, the debt crisis, chronic unemployment, and the deterioration of the environment, should encourage progress in areas where consensus was emerging, help to bring parties closer and find a harmonious balance between national, regional and universal interests in order to promote stable development and the qualitative growth of all States.

8. A number of interesting and innovative ideas had already been expressed concerning the strategy in the Ad Hoc Committee: at the present time it was necessary to establish the common ground between those approaches and to outline further steps. While the Ad Hoc Committee had not been able, at its second session, to reach agreement on the structure of the strategy, it had defined some of its main elements, namely, the results of the 1980s and the main economic and social trends in the next decade, solutions to predictable problems, strengthening of the role of the United Nations in the economic and social fields, and the review and assessment of the implementation of the strategy. At subsequent sessions, it would be especially important to reach agreement on the principles to be followed for co-ordinating the measures taken in the developed and developing countries to resolve the major economic problems facing the world, in particular the debt crisis. It would also be useful to take into account in the strategy new areas of United Nations economic activities. In particular, the ongoing work on early identification, analysis and monitoring of world economic problems could be used as an integral part of the mechanism to review the implementation of the international development strategy for the fourth development decade.

9. Mr. KUECK (German Democratic Republic) said that at the second session of the Ad Hoc Committee of the Whole progress had been made towards agreement on the character, aims and essential elements of the new strategy. In addition a concrete work programme had been set out for the Committee's session in January 1990. Much remained to be done to harmonize differing opinions, particularly on the scope of the strategy, on a balanced assessment of national and international measures for growth and development, and on the role of quantitative and qualitative elements of growth.

10. In the final analysis, the strategy sought to strengthen international co-operation and multilateral co-operation of States within the framework of the United Nations in order to meet world-wide requirements for economic and social development, taking into account the legitimate interests of all parties. The negotiations on the strategy should therefore focus on identifying the challenges to be expected in the 1990s with regard to the economic growth and development of States. It would be of primary importance to ensure that the current shift from confrontation to détente was irreversible, that the principle of disarmament for development was applied and that international economic relations became more predictable. Moreover, the processes under way in the political, economic and social fields would have to be considered in their complexity. Given the growing economic interdependence of States it was necessary to consider the world economy

(Mr. Kueck, German Democratic Republic)

as a whole, when preparing national economic policies and when drafting a new international development strategy within the framework of the United Nations.

11. The new strategy should comprise five major sections. First, there should be a preamble and a section dealing with basic goals, identifying the requirements for the all-round revitalization and accelerated growth of the economies of States in the 1990s, particularly in the developing countries. Second, agreement should be reached on the essential international and national steps needed to achieve accelerated economic growth, especially in developing countries. The following areas were of special significance: normalization of international trade relations and elimination of imbalances in the international monetary and financial system; protection and responsible use of the environment; promotion of technology transfer on a non-discriminatory basis; improved co-ordination of the macro-economic policies of States, involving all groups of countries; and adoption of measures to implement the principle of disarmament for development. Third, agreement must be reached on the international and national activities required to solve certain particularly pressing problems in the developing countries. These activities might include reduction of poverty and underdevelopment, settlement of the debt problem and development of human resources. A fourth section could deal with specific measures designed to promote the social and economic development of the least developed countries. Finally, a special section should be devoted to the role to be played by the United Nations organs and organizations in the realization of the strategy. It might also contain procedures for reviewing the implementation of the strategy and ensuring that the strategy did adjust to changing international conditions.

12. The special session of the General Assembly scheduled for April 1990 and the preparation of an international development strategy complemented each other. Both should give new and long-term impetus to international economic co-operation with a view to furthering social and economic development. The results of the special session would no doubt favourably influence work on the strategy.

13. Mr. AGUBUZU (Nigeria) expressed the hope that agreement could be reached before the next session of the Ad Hoc Committee of the Whole on an outline for the international development strategy, and that the Chairman of that Committee, whose experience and talent were known to all, would foster the atmosphere of co-operation needed to prepare the strategy.

14. He went on to identify the major lessons to be learned from the way in which the world economy had evolved during the 1980s. First, rapid expansion in the economies of the industrialized nations did not necessarily "trickle down" to the developing countries. There were many obstacles in the way. For that reason, international action was required in the areas of trade, finance and commodities so as to reinforce and transmit growth momentum from the developed to the developing countries. Second, while rapid advances in technology had accelerated the globalization of trade, production and finance, unless accompanied by an appropriate mix of policies, they could exacerbate the economic problems of developing countries. Automation not only threatened to erode the comparative

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(Mr. Agubuzu, Nigeria)

advantage enjoyed by developing countries on account of their abundant labour resources, but it also required a large pool of technologically skilled manpower able to use and adapt new technologies, which those countries did not have. Strong and concerted international support was therefore needed to buttress the efforts of developing countries to adapt technology to their needs. Third, unanticipated economic crises were realities and the international development strategy must be able to respond to them, so that decisive measures could be taken from the outset, thereby avoiding unnecessary suffering. The next international development strategy should be flexible enough to respond to emergency situations while also vigorously tackling the envisaged development challenges of the coming decade. Some of those problems would be carried over from the preceding decade. The most serious among them was the need to reactivate growth in the countries and regions that had witnessed decline or stagnation in the 1980s. Co-operation in that regard would be severely tested in Africa, where, according to current projections, economic prospects would remain bleak. Strong and decisive international support in the areas of debt, commodities and official development assistance (ODA) would be essential for the African countries.

15. Lastly, carefully chosen quantitative targets, such as the GNP/ODA ratio, could be helpful in evaluating progress. It would also be helpful to develop targets for a debt service ratio that was compatible with growth. Working together in a co-operative and creative spirit and drawing appropriate conclusions from the experience of the 1980s, the nations of the world could make the 1990s a better decade than the 1980s.

16. Mr. DJOHLAF (Algeria) said that, thanks to the spirit of co-operation inspired by the work of the Ad Hoc Committee of the Whole, the process of preparing a new international development strategy was off to a good start. Preparation of the strategy was imperative for five reasons. Divided as it was into the very rich and the very poor, mankind could not enter the twenty-first century without risking universal instability. With the growing marginalization of the countries of the South in international trade, entire continents were in danger of being excluded from economic and social progress, and that could affect the economic prosperity of the minority. Moreover, as long as absolute poverty, the underlying cause of the deterioration of the environment, was not eliminated, local attempts to clean up the environment were doomed to failure. A long-term international vision and a frame of reference for multilateral economic co-operation were needed to pull many developing countries out of economic chaos. The United Nations could not continue to ignore the economic aspect of its mandate if it wished to fulfil that mandate effectively.

17. Elaboration of the new international development strategy was a matter of the utmost urgency in order to end the longest period of economic recession the developing countries had experienced since independence. Above and beyond assistance, its central objective should be to reactivate economic development in those countries. To be credible, the strategy should contribute to finding a durable solution to the debt crisis through substantial, generalized reductions, and it should re-establish a positive North-South financial flow so that foreign borrowing could once again be a component of development.

(Mr. Djoghlaïf, Algeria)

18. While necessary, the internal structural adjustment of the poorest countries was neither a substitute nor a prerequisite for the necessary adjustment of the international economic environment. The framework to structural adjustment programmes for socio-economic recovery and transformation proposed by the African countries was based on the same requirement. The new decade, unlike the previous one, must make it possible for reactivated development to triumph over poverty.

19. Mr. SOOMA (Tunisia) fully supported the statement made by the representative of Malaysia on behalf of the Group of 77. The recent meetings held by both the developing countries and the developed countries had pointed to the need for true dialogue in order to create a dynamic, international economic environment that would foster harmonious, lasting development and general growth. Preparation of the new international development strategy as the agreed framework for multilateral development co-operation, provided an excellent opportunity for demonstrating such commitment to collective action.

20. The previous strategy had failed primarily because of the failure of the developed countries to honour certain commitments. Accordingly, particular care should be taken to ensure that political commitments made for the next decade were honoured and that measures adopted by consensus were implemented. The main theme of the new strategy should be the reactivation of all aspects of the development process. Advantage should be taken of major changes that had occurred in the political arena by consolidating them through coherent policies and multilateral economic co-operation measures designed to achieve precise goals. The strategy should inspire a new commitment to development viewed both as a goal of common interest and as a collective responsibility. Developing countries must be able really to participate in the management of world economic interdependence. To that end it was necessary to take due account of their legitimate interests and to realize that their difficulties were in fact caused by the major structural imbalances in the world economy.

21. In formulating the new strategy, consideration should also be given to the existence of the Arab Maghreb Union, a regional economic association that had recently been set up by Algeria, Libya, Mauritania, Morocco and Tunisia; he expressed the hope that relations between the Union and the single European market would be characterized by exemplary co-operation.

22. Mr. BUDRUDDIN (Pakistan) stressed that the international development strategy answered an urgent need. First, it would provide a framework for the measures by the international community to reactivate and accelerate growth and development of the world economy, particularly of the developing countries. Since the adoption of the previous strategy new problems had emerged, which needed to be expeditiously addressed but the old problems had not disappeared. Massive poverty continued to afflict most developing societies and even those developing countries which had registered some growth in recent years had been unable, despite strenuous efforts, to provide an acceptable and decent standard of living to vast sections of their population. Secondly, the strategy would provide the Secretariat with guidelines to develop a long-term perspective for its programmes and projects. Without such

(Mr. Budruddin, Pakistan)

guidance the international co-operative machinery would be left to operate in a vacuum.

23. It was disappointing that the Ad Hoc Committee of the Whole had been unable to reach consensus on the outline and structure of the strategy. It was essential that agreement be reached on those questions during the current session of the General Assembly, and that all parties demonstrate the necessary flexibility so that the Ad Hoc Committee of the Whole could use the remaining time to negotiate the substance of the strategy.

24. Mr. YENEL (Turkey) said that the two sessions of the Ad Hoc Committee of the Whole for the preparation of the international development strategy for the fourth United Nations development decade had not made the desired progress, and the Committee should, therefore, tackle the more substantive issues in January 1990. Turkey viewed the development strategy as a set of general guidelines for socio-economic policies and for international co-operation. The strategy should, therefore, examine the applicability of past lessons within the development process, without, however, dwelling too much on the past. As the main international economic centres were shifting and their structures were not rigid, the strategy should be flexible and innovative. It should not be too concerned with targets, which had proved elusive in the past. On the contrary, realism dictated the need to identify the true extent to which the international community was politically committed to agreed policies. The strategy should reflect the varied responsibilities of nations in a balanced manner; particular attention should be given to the importance of national policies and their repercussions, bearing in mind the interdependence of nations and the different aspects of the world economy. That aspect was lacking from the draft outline of the strategy studied by the Committee. Previous strategies had operated against the background of an unpredictable international economy, and events had not conformed to the expectations of major forecasting institutions. Projections were still needed, however, for the main themes would not always be growth, human development, poverty and environment. The strategy should, therefore, be sufficiently flexible to accommodate change, and should contain a mechanism for its own review. Such a mechanism would enable the strategy to remain viable and more responsive to the needs of the day.

25. Mrs. de WHIST (Ecuador) said that the question under review had both a past and a future: a past, by virtue of the great diversity of problems which each Member State had faced during the last 30 years, since the United Nations had set in motion the search for harmonious and stable development for every country; a future, because the forthcoming decade would, undoubtedly, have much to answer for to future generations. The results had not been encouraging and the structural and short-term economic problems had deteriorated to the point where they had become a serious threat to peace, democracy, liberty and the just aspirations of all States.

26. The preparation and application of the international development strategy should take account of past experience and should be based on two elements. The first was the necessity to aim for economic growth and social development in the



(Mrs. de Whist, Ecuador)

broadest sense, both in quality and quantity, and without losing sight of environmental considerations; for that the political will of all Member States and the practical will of the United Nations and its organizations were essential prerequisites. Policy-making bodies should therefore gauge the interaction between social, economic, technological and environmental factors, and the theoretical approaches, formulas and resolutions to be adopted should be sufficiently flexible to accommodate the specific needs of Member States and the changing international situation. It was essential to aim at a monitoring and evaluation machinery whereby achievements could be assessed and mistakes, if any, corrected approximately every three years.

27. The second element concerned matters relating to the competence of the Member States, on the one hand, and the United Nations, on the other. A number of urgent problems remained unsolved after three decades of development; despite progress in science 1 billion people still suffered from hunger. Those problems concerned specifically the rapid advances in technology; constantly changing patterns and structures in the production, consumption and marketing of commodities, goods and services; the instability and globalization of financial markets; the constant and inequitable transfer of financial resources; external debt and its negative effect on development; food and agriculture problems, closely linked to the quality and condition of the soil; desertification and drought; various other environmental problems; extreme poverty and energy problems. In addition, certain long-standing problems had been seriously aggravated, such as the neglect of human resources, and the abuse of the environment at the very time when its fragile and finite nature had become manifestly clear. The Fourth United Nations Development Decade should lay the solid foundations of a true development process.

28. In conclusion, she expressed the regret of her delegation that Ecuador had not been included in the list of represented States printed on pages 5 and 9 of document A/44/41.

29. Mr. KAGAMI (Japan) believed that the strategy should be formulated in such a way as to win the support of all Member States, developing and developed, on a consensus basis and with the full participation of the entire United Nations system. Failure to reach consensus would deprive the strategy of the necessary political commitment, preventing it from providing a set of guidelines for international economic co-operation for development for the 1990s, in which case the whole exercise would yield only a paper and would have no real effect on development. For that reason, the strategy should aim, above all, to be realistic.

30. The Ad Hoc Committee of the Whole had been able to reach a certain convergence of views on the broad outline and a clear articulation of priorities; it had been able to identify items of crucial importance for developing countries, such as the issue of accelerated growth as a basic and necessary, if not sufficient, condition for development, the question of human resource development, the eradication of poverty and issues of sustainable development, notably the relationship between environment and population. Consensus had also been reached on the need for the

(Mr. Kagami, Japan)

strategy to address only a small number of important items. There was no necessity at that time to try to address all development issues.

31. The negotiations to be held during the next session of the Ad Hoc Committee of the Whole in January 1990 should take into account that an exchange of views on the outline for the strategy would no longer be necessary, as each group and country had expressed its position and had become familiar with that of the others. During the current session of the General Assembly, agreement should be reached on the outline of the strategy in order to facilitate preparation for the January 1990 meeting. His delegation was prepared to seek such agreement with other delegations immediately. The negotiations had entered a phase where the contribution of the entire United Nations system was more important than ever before. The ACC Task Force on Long-term Development Objectives had presented a very useful report, as had the Committee for Development Planning, but there was a need for inputs on the work and programmes of the organizations of the United Nations system in their respective fields, and the Ad Hoc Committee should take their contributions into account, since some of their organs had articulated clear objectives for the coming decade. The Administrative Committee on Co-ordination (ACC) had an important role to play in such a synthesis: as the priority issues had already been identified, the Ad Hoc Committee of the Whole should have before it at its January session a document from ACC summarizing the contributions of the United Nations agencies. Lastly, it was to be hoped that the preparation of the international development strategy would facilitate a constructive dialogue between the developing and the developed countries, with both groups recognizing their responsibilities. The role of the operational activities of the United Nations system should also be addressed.

32. Miss POIRET (France), speaking on behalf of the European Community and its States members, said that at the second session of the Ad Hoc Committee of the Whole a substantive exchange of views had taken place, with positive results. The Community hoped that during the current session of the General Assembly, negotiations could be held to define the structure of the document which would contain the strategy, so that in January the Ad Hoc Committee could devote itself to questions of substance. The key points of the long document submitted by the Community in September 1989 concerning proposed objectives of the strategy appeared to represent views more and more widely shared: sustainable development through resumption or pursuit of lasting growth, the flexibility needed to adapt during a long decade of changing conditions in the global economy and to the diversity of situations in developing countries. The harmonization which should be established between the responsibilities of the international community and national policy should be further emphasized, so that all could understand its importance to the success of the strategy. The Community was counting on the special session of the General Assembly to elaborate the preamble of the strategy, since it would be seeking to assess the major changes in the world economy and open the way to a new stage of co-operation. Acceleration of growth assumed the solution of short-term problems, but certain issues calling for a long-term effort could not be avoided. One such issue was the strengthening of political and administrative institutions through the enhanced democratic participation of peoples in political, economic and social life, through rationalizing the operation of those institutions and through

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(Miss Poiret, France)

human resource development. The latter should be based on a population policy which while respecting national traditions, afforded greater control of population growth and would not hinder overall economic growth nor contribute to the impoverishment of certain levels of society. The Forum on Population to take place at Amsterdam in November would further address those questions. Human resource development called for a strong emphasis on training adapted to the needs of the country concerned, as well as continued efforts for the advancement of women and the improvement of general health conditions. The development strategy should include specific priorities for the benefit of disadvantaged and vulnerable social groups, to meet the challenge of dire poverty and hunger. The future of mankind depended on the issue of environmental protection, which was a shared responsibility of all countries, with the developed countries acknowledging their special obligation. The States of the European Community counted on the 1992 conference to contribute to defining environmental policies. The international community should pay special attention to the most disadvantaged countries, which, because of their handicaps, could not develop without a special effort by their partners, whether industrialized or simply at a more advanced stage of development. The strategy should thus take into consideration the preparation and results of the Paris Conference on the Least Developed Countries. It should also try to improve domestic and international financial flows, which were the basis of development. Private savings should be channelled into local investment, and some major imbalances in developed countries should be absorbed. Greater openness by economies where trade and investment were concerned would be an important factor in development. In the next decade, developing countries would still need substantial aid contributions. The current objective of raising total official development assistance to 0.7 per cent of donors' GNP thus remained valid. Lastly, the strategy should give its proper place to the contribution of United Nations agencies, which should establish or adapt their own strategies in the light of the strategy decided on for the fourth development decade.

33. U AYE LWIN (Myanmar) observed that for developing countries the 1980s had been a "lost decade". The revitalization of economic development was thus more urgent than ever. The majority of developing countries, especially the least developed, were in an even more precarious situation than at the beginning of the decade. The convening of a special session of the General Assembly was thus welcome. It would afford an opportunity for constructive dialogue which could provide useful guidelines. The international development strategy should comprise a set of realistic and essential objectives, and should address questions neglected in previous strategies, such as the external debt problem, international trade, the eradication of poverty and human resource development. External debt remained the major obstacle to development, and if the question of debt was not resolved, it would be virtually impossible to foster economic development and social progress. The net transfer of resources to developed countries meant a veritable "Marshall Plan in reverse". Developing countries, which most often were exporters of commodities, continued to be highly dependent on export earnings from those commodities, and stabilization of the market at fair prices was imperative. Free access to the markets of developed countries was also essential and the growing tendency towards protectionism must be eliminated. The developed countries should

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(U Aye Lwin, Myanmar)

honour the commitments they made at Punta del Este and Montreal regarding stand-still and roll-back of obstacles to trade. Despite the Substantial New Programme of Action for the Least Developed Countries adopted at the beginning of the decade, the overall socio-economic conditions of those countries had further deteriorated and remained extremely precarious. The strategy should give major consideration to their difficulties. The two sessions of the Ad Hoc Committee of the Whole had not yet addressed the basic questions, and in particular had not yet reached agreement on an outline and structure for the strategy: future sessions should be more fruitful. The agreement reached by the Group of 77 and the European Community should be consolidated and given the support it deserved, with the active participation of all countries.

34. Mr. KIRDAR (Director, Division of External Relations, United Nations Development Programme) said that the usefulness of a new international development strategy would depend on how different it was from the preceding ones, and on its relevance to the current situation in the world economy. There were several strong arguments in favour of a new strategy. First, the adoption of development-oriented economic policies in the industrialized countries now had a greater impact than ever before. Secondly, the formulation of a new strategy could provide an opportunity to rethink the role of the multilateral development system in the 1990s. Thirdly, the elaboration of such a strategy would facilitate the adoption of a longer-term perspective, which was essential for preparing adequately for growing populations, new technologies and new hazards to human survival.

35. The new strategy would perhaps benefit from a narrower focus in its general policy measures. In that regard, he suggested that the Second Committee and the Ad Hoc Committee of the Whole should examine whether the previous strategies had dealt adequately with human resources development, and should consider whether the approaches adopted in the 1970s for fulfilling basic needs and alleviating poverty should form the framework for the development strategy for the year 2000, they might consider the appropriateness on whether more forward-looking strategies should be formulated which recognized human development as the essential objective of economic development as well as the vital element for the resumption of sustained and balanced growth.

36. Human resources development, which had been regarded from the point of view of social welfare in the 1950s, considered as a residual factor in the 1960s, and treated as objectives in the alleviation of poverty in the 1970s, had been neglected in the 1980s. It had often been said that human development was the primary objective of development. Unfortunately, human resources development continued to be regarded as a secondary issue and not as the principal factor in economic growth. During the 1980s, the problems of debt and trade, recession and adjustment had absorbed a great deal of time and resources. Adjustment measures had been carried out at extremely high human costs. In most stabilization policies, human resources development had suffered the most. Since the beginning of the decade, the share of government expenditure for education and health had fallen by more than 40 per cent in most of the low-income countries. Far from bringing about the expected recovery, those budget cuts, which had involved

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(Mr. Kirdar)

considerable human suffering, had created less obvious longer-term problems by mortgaging the human resources development and causing a loss of productivity. Today, in the developing world, cuts in social spending meant that more than one child in five could not attend primary school.

37. UNCTAD had consistently advocated greater stress on human resources development as an important aspect of development, not only in the context of solidarity and social equilibrium but also in a purely economic context. The world economy was on the threshold of a new age. By the year 2000, human resources development would come to be of even greater importance, both for developing and for industrialized countries. Competitiveness, productivity, skilled labour, and management capacity would become the key factors of economic growth. The largest part of world output would be brought about not through additions to capital but through improvements in people's capacities. The service sector already represented nearly 70 per cent of GNP and employment opportunities in the industrialized countries. In the United States, employment in the service sector had tripled in 20 years. The growing gaps between North and South in GNP, trade and technology must be closed, but it would also be necessary to concentrate efforts on preventing an even wider gap in the area of human capabilities.

38. Population trends were also a problem. The populations of the developed countries were growing older while, in the developing world, at least 700 million new jobs - which was the number of jobs currently existing in industrialized countries - would have to be created by the year 2000 to accommodate new entrants into the labour market. If no steps were taken in that direction, the frustrations of young people and their fears of unemployment would probably plunge the developing world into social unrest, as had occurred in the 1960s in the developed countries.

39. It was essential to adopt a new perspective on development, one which viewed it as a sustainable process of expanding the capabilities, creativity and initiatives of people and which sought to mobilize all of the resources available, both material and human. True development meant the releasing of human energy and the opportunity for people to contribute fully to their own development and to the self-sustained development of their communities.

40. Ms. ARMSTRONG (Canada), speaking also on behalf of Australia and New Zealand, said that there were reasonable grounds for satisfaction with the progress made by the Second Committee and the Ad Hoc Committee of the Whole in the elaboration of an international development strategy. The debate in the Ad Hoc Committee of the Whole had been positive and conciliatory, and all sides had shown flexibility and openness to new approaches. An increasing number of delegations had set out their ideas on the content and structure of the strategy. There was increasing evidence of convergence towards the view that the strategy should focus on several priority themes, in particular the acceleration of growth and development, human resources development, the problem of extreme poverty and environmental concerns. The strategy should be geared essentially towards the development of the developing countries, and it should be capable of being integrated into whatever framework for

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(Ms. Armstrong, Canada)

technical co-operation emerged from the planned special session of the General Assembly.

41. Certain aspects were, nevertheless, disappointing. In particular, at the second session of the Ad Hoc Committee of the Whole, there had not been sufficient focus on reaching agreement on the structure of the strategy. It was regrettable that the non-paper prepared by the Group of 77 and the EEC countries, had not been appended to the Ad Hoc Committee's report, as had been agreed in the informal discussions. It was important to be realistic on what the outline of the strategy was. The Ad Hoc Committee had in fact discussed only a framework with various headings. The greater challenge would be to define what would come under those headings; nevertheless, the outline was important because it indicated the basic approach to the strategy. The outline prepared by the Group of 77 and the EEC countries did reasonable justice to the wish of most delegations, namely, that the strategy should focus on priority themes. The acceleration of growth must be a top priority, and the adoption of sound economic policies was a key determinant in that regard. Such national policies needed to be reinforced by a supportive international environment. It was important that those priorities should be appropriately reflected in the outline. Moreover, Economic and Social Council resolution 1989/90 on incorporating population factors in the international development strategy, adopted by consensus, pointed the way to solving the problem of how to treat population issues in the outline.

42. The delegations of Australia, Canada and New Zealand were ready to work with other delegations in order to complete, during the current session of the General Assembly, the unfinished business of the last meeting of the Ad Hoc Committee of the Whole, which would enable the Ad Hoc Committee to give its undivided attention to substantive questions at its next session.

The meeting rose at 1.05 p.m.