

ECONOMIC AND SOCIAL COUNCIL

SIXTY-FIRST SESSION

Summary records of the meetings held at Abidjan and at Geneva from 30 June to 5 August 1976

2006th meeting

Wednesday, 30 June 1976, at 10.10 a.m.

President: Mr. S. AKÉ (Ivory Coast)

E/SR.2006

ITEM 1 OF THE PROVISIONAL AGENDA

Opening of the session

1. Mr. AKÉ (President) declared open the sixty-first session of the Economic and Social Council.

Statement by the President of the Economic and Social Council

2. On behalf of the members of the Council, the observers and the heads of the United Nations agencies, Mr. AKÉ (President) thanked the President of the Republic and the Government of Ivory Coast for their invitation to the Council to hold the first part of its sixty-first session at Abidjan. The presence of President Houphouët-Boigny at the opening session was clear evidence of his deep attachment to the United Nations ideals of peace, freedom, equality, progress and justice which guided his activities on behalf of the Ivory Coast, Africa and the international community.

3. For the first time, the Economic and Social Council was holding a session in Africa; that historical event also had political significance because the independence and development of Africa were matters of concern to the international community, which thus had an opportunity of giving particular attention to the problems arising in that continent. Coming scarcely four weeks after the fourth session of UNCTAD, the session would enable the Council to assess the results of the Conference, to review international economic co-operation and, as a result of the information it would have at its disposal, to seek, by concerned action and dialogue, practical solutions to the problems of development.

Address by the President of the Republic of Ivory Coast¹

4. Mr. HOUPHOUËT-BOIGNY (President of the Republic of Ivory Coast) said that he had fought all his life for human dignity and for the dignity of the people of Ivory Coast in particular. The first part of his fight had enabled him, thanks to the courage of his companions in arms, to achieve his country's freedom. But that victory had been only the beginning of a still more arduous and more protracted struggle, the struggle which was now being waged every day for the country's economic and social independence. He was therefore deeply moved on that day when his country had the signal privilege of welcoming the institution which was entrusted at the highest level with securing the triumph of the cause to which Ivory Coast directed all its efforts.

5. The Council had been established for the discussion of the common aspirations of the peoples of the world to greater economic and social well-being. Social development was the end; economic development was the means. The two could not be separated, but economic development might lose all its significance if it became an end in itself.

6. The Council was a privileged forum in which the representatives of Member States of the United Nations — whose number was increasing steadily and would soon, hopefully, include all nations — could compare their experiences and their problems and seek solutions in order to propose rules of conduct to the international community. Although its resolutions were not binding, their

¹ The full text of the address by President Houphouët-Boigny was subsequently circulated as document E/5860; see 2008th meeting, para.1.

moral value and influence were such that they increasingly represented the genuine conscience of nations, and those who violated them became outcasts from society. Unfortunately, too many still dared to do so, for despite the proliferation of conferences and peaceful declarations, instead of being eradicated, trouble spots where war could break out merely reappeared in different parts of the world, while an arms race, such as the world had never known, was assuming even greater proportions. A portion of the expenditure devoted to those instruments of death would suffice to restore dignity and happiness to the entire human race in a very short time. Nothing would change in that sphere until the quest for peace had become second nature to statesmen. Peace was not a word, but a code of behaviour.

7. Everyone also proclaimed that development must be economic and social, but it could not be claimed that a policy of social development was being pursued when concentration camps, political persecution, torture and segregation were on the increase; nor could it be seriously claimed that those practices were disappearing. Moreover, their mere elimination was not enough; a consistent policy of sharing the benefits of growth must also be pursued. The final goal of development was not an abstract *homo economicus*, but simply man himself. The fact of being the world's leading producer of a certain material was not a criterion with which to assess the level attained on the road towards greater humanity.

8. Ivory Coast, for its part, wished to reaffirm the principles of its domestic and foreign policy, namely, an open attitude to men and to things, a belief in man and his destiny, faith in the virtues of peace and dialogue, and a readiness to co-operate with all.

9. The essence of the Council's task, as a centralizing and co-ordinating body, doubtless lay in persuading States to readapt their activities more realistically to economic and social development. Accordingly, it would be desirable for the Council to be given greater powers of co-ordination over all economic and social activities undertaken by the specialized agencies. It would also be useful, at the regional level, to strengthen the decision-making and co-ordinating role of the regional commissions, particularly ECA. Those bodies would achieve greater dynamism and authority, which would lead to better co-operation, in their spheres of competence, among the nations of the continent.

10. The efforts of the international community to tackle under-development had, however, already been marked by important stages, as was shown by General Assembly resolutions 2626 (XXV) concerning the International Development Strategy for the Second United Nations Development Decade, 3201 (S-VI) and 3202 (S-VI) concerning the Declaration and the Programme of Action on the Establishment of a New International Economic Order and 3281 (XXIX) concerning the Charter of Economic Rights and Duties of States, as well as the important resolutions adopted in 1974 by the World Food Conference.² Of more particular concern to the third world,

² See United Nations publication, Sales No.: 75.II.A.3, chap. II.

mention should be made of the Lima Declaration on Industrial Development and Co-operation³ and the Declaration of Manila,⁴ which summarized the aspirations of the developing countries; at a parallel level, there were the discussions of the Paris Conference on International Economic Co-operation, the so-called "North-South" Conference, and finally the work of the fourth session of UNCTAD.

11. The international economic situation brought face to face two groups of States which were very different from the point of view of the wealth and opportunities they possessed. The efforts made to eliminate the gap between the two groups had failed, in particular, because of the instability of the developing countries' export earnings, whose fluctuations were brought about by mechanisms over which those countries had no control. Thenceforth the basic demand of the third world was therefore for the establishment of a system for stabilizing their export earnings.

12. That realization of their common interests, and above all the concerted action which stemmed from it, was an event of capital importance for the most disadvantaged countries. It had enabled UNCTAD, at its fourth session, to obtain a better idea of the exact position of each industrialized country and to adopt conclusions which safeguarded the essence of the developing countries' demands, namely, an integrated programme for commodities, a study with a view to the establishment of a common fund for the financing of buffer stocks, a study of the problem of the indebtedness of the countries most affected by the crisis and proposals in favour of the least advanced countries.

13. The relationships of strength prevailing in the world did not tip the scales in favour of developing countries, which must therefore be in a position to defend their interests in a way that was both reasonable and convincing, for otherwise they would not even be listened to. However, a counsel of realism should not be equated with one of resignation. The established relationships of strength were not immutable, and the weakest countries had assets to make them evolve. The first was dialogue, which required only unflinching reciprocal goodwill and could solve many problems. The second was the solidarity of countries of the third world; they had recognized that, and unswerving solidarity at the international level had brought them their first successes. He believed that it would take them far; he also thought that the centrifugal forces which were a constant threat to constructive action on a global scale could be effectively counterbalanced by the development of regional solidarity.

14. There was no longer any nation in the world capable of imposing its will on others by force. For that matter, it

³ Adopted by the Second General Conference of UNIDO, on 26 March 1975. See UNIDO, document ID/CONF.3/31, chap. IV.

⁴ Adopted by the Third Ministerial Meeting of the Group of 77, held at Manila, from 26 January to 7 February 1976. See *Proceedings of the United Nations Conference on Trade and Development, Fourth Session*, vol. 1, *Report and Annexes* (United Nations publication, Sales No. E.76.II.D.10), annex V.

was becoming increasingly clear in the minds of the majority of leaders in the industrialized countries that it was in the interest of their countries to ensure the development of their activities by ensuring supplies, and that implied concerted action among States. That concerted action would probably still be held up by a considerable amount of resistance and shilly-shallying, but it had been embarked upon and there was no turning back. It must be carried to its logical conclusion of an awareness of true solidarity, which united all the peoples of the earth, developed or not. The countries of the third world must try to make the well-endowed countries understand that their true interest lay in international co-operation which guaranteed to all an opportunity to develop in dignity and justice. Accordingly, the dialogue started must take place in an atmosphere of confidence in which the legitimate interests of each were known and recognized.

15. Ivory Coast hoped that the negotiations would take place on topics which were of particular concern to developing countries and would lead as quickly as possible to the end of colonialism and racial discrimination in Africa, and to the establishment of a just and lasting peace in the Middle East through the recognition of the legitimate rights of the Palestinian people. Those negotiations must result in a new concept of development assistance, which could no longer be considered by the donors as an activity of secondary importance, which was a sop to their conscience. On the contrary, assistance must become the tangible expression of a desire to work together for progress.

16. In that spirit, an improvement in the terms of trade would have to be sought, and efforts made to achieve the stabilization of the export earnings of the commodity-producing countries through fair prices and the financing of buffer stocks, and the developing countries must be provided with effective assistance in their industrialization efforts and in the diversification of their agricultural production. Finally, genuine and useful transfers of science and technology must be arranged. In that connexion, Ivory Coast hoped that the arms race would slow down as a result of that new state of mind and that the very substantial financial resources which could be released thereby would be properly used to construct a better world. In the immediate future, the targets of official development assistance, fixed at a very reasonable level, should be respected by all. More serious attention should be given to the problems of the reform of the international monetary system, whose stability must be one of the corner-stones of economic progress.

17. Before concluding, he referred more particularly to Africa, the continent which, despite its immense potential of wealth, contained the great majority of the poorest countries in the world, and which needed a long period of peace to make up for the time it had lost. Unfortunately, there was now a danger that Africa might become a tilting-ground where the great Powers came to grips with each other through intermediaries and created antagonisms which persisted long after the crisis they had provoked. He hoped that a solution might be reached which would enable Africa to remain outside those conflicts in which it had no part, but everything to lose, and that the only competition

on its soil between opposing blocs would be at the economic, social and cultural levels exclusively.

18. At the economic level, it would be fair and appropriate to give particular attention to the most disadvantaged African countries, to ways and means of providing outlets for the land-locked countries, to the problem of their indebtedness, and to a comprehensive programme for the development of their water resources to prevent a recurrence of the tragic drought which had struck them in recent years.

19. In conclusion, he said that faith in the solidarity of mankind and the ardent desire for peace which should motivate all the members of the Council made it incumbent upon all countries, socialist and capitalist, to participate in assisting the developing countries and in speeding up economic and social progress, factors for peace and political stability.

Statement by the Secretary-General of the United Nations⁵

20. Mr. WALDHEIM (Secretary-General of the United Nations) said that he wished, on behalf of the United Nations, to thank the President, the Government and the people of Ivory Coast for the generosity and kindness of their welcome. Following the fourth session of UNCTAD, it was the second time within two months that the world community was holding a meeting on economics in Africa, and those two events symbolized the role Africa had come to play in world affairs.

21. The world economy was emerging from a prolonged and severe recession. The decline in production during the past two years in the industrialized world had brought in its wake a substantial increase in unemployment, accompanied by very severe inflation. That combination of normally incompatible trends had been acutely felt in developing countries, which were highly vulnerable to external economic forces. The growth target set for the 1970s today seemed very much in jeopardy, and the growth rate of non-oil-producing developing countries had been brought down by approximately one third from 1973 to 1975. The countries with centrally planned economies had not been as immune as in the past from the effects of the world-wide phenomenon, but they had exhibited considerable staying power. They should make efforts to move their economies closer to the main currents of world trade and finance.

22. Recent events had amply demonstrated how quickly the world economy could be ruptured by sudden sparks. The scarcities of crucial commodities, such as food grains, fuels, fertilizer and machinery, and the concomitant escalation in their prices had immediate repercussions well beyond national frontiers. No country was unaffected by that phenomenon of transmission, but the economically weakest suffered the most. Recent events provided a cogent reminder of what global interdependence meant; its implications stood out now only too sharply. The lesson to be

⁵ The full text of the statement by the Secretary-General was subsequently circulated as document E/5861; see 2008th meeting, para. 1.

drawn could be summarized in four points: first, the scarce resources of the planet needed to be used in a more rational manner; second, the fruits of progress should be more equitably shared; third, more global policies that sought to improve the welfare of the whole of humanity were needed; fourth, all members of the world community should play an effective part in designing policies for the world economy.

23. There were, however, several encouraging signs that the crisis had passed its peak; economic recovery in industrialized countries was evident, the pace of production was picking up and the rate of unemployment was decreasing. Inflationary pressure seemed to be abating, but the world was less confident than it had been of its capacity to control the business cycle. Moreover, voices had recently been warning against a resurgence of inflationary forces in Europe, and it was being asked whether some structural factors were not instrumental in the extreme movements of price and employment. It was becoming urgent to obtain a better understanding of the causes and effects of economic movements so that appropriate policies could be formulated.

24. Recovery of demand in market-economy countries and increased imports planned by the countries of Eastern Europe should enable world trade to regain its upward trend after the severe contraction in 1975. But protectionist undercurrents could be discerned in several parts of the globe. Policies should therefore be designed and implemented which would help to restore the role of world trade as a dynamic instrument of development. Whatever progress was made by the developing countries towards more self-reliance, exports to world markets remained for them the essential means of obtaining the foreign exchange they needed.

25. Efforts had been made for a long time in international forums to find policies and mechanisms to cushion the prices of commodities against excessive fluctuation; new avenues of action had been explored at the seventh special session of the General Assembly and at the fourth session of UNCTAD, and a similar effort was being made at the Conference of International Economic Co-operation in Paris. That intensive phase of negotiations was ending on a certain note of encouragement, but also with many frustrations. A step forward had been taken in the field of primary commodities where a time-table for the next negotiations had been established, although with the usual quota of reservations. In the field of trade policy or the flow of capital, on the other hand, there had been no new commitments; despite the urgent, repeated requests of the General Assembly at its sixth and seventh special sessions, it appeared difficult to escape from the conventional modes of thought which paralysed progress.

26. It was true that the interrelated concepts of a better integrated world economy and a dynamic international division of labour had gained recognition. But the concrete action taken to ease the entrance of goods from developing countries into the markets of the industrialized world had not yet been of such a scope and magnitude as to permit the developing countries to find their proper place in a rational world system. The new international division of

labour which would result from real progress towards the objective agreed upon at the Second General Conference of UNIDO would mean a more rational use of the world's resources and an enhancement of the welfare of all. Temporary problems which might arise would be mitigated if adjustments to the new conditions were an integral part of a general, well-planned industrial policy. Such adjustments should figure very high on the agenda of international gatherings and become part of a dynamic programme of action.

27. Whatever type of development new nations chose, a priority objective was always to expand their national resource base, and the United Nations should constantly assist them in that respect. That was also in the general interest of the world economy. The Council did not have to share in the gloomy beliefs which implied that the natural resources of the world would soon be used up, since the present state of knowledge indicated, on the contrary, that there were vast unexplored resources, for the most part located in the developing world. The search for additional sources of energy was being actively pursued with the participation of the developing countries themselves; the industrialized countries, with their accumulation of capital and technological knowledge, should contribute substantially to those efforts by fostering technologies suited to the requirements of the developing countries. The creation by the General Assembly (resolution 3167 (XXVIII)) of the United Nations Revolving Fund for Natural Resources Exploration within UNDP should be followed by more ambitious projects relating to exploration, and above all by research and development programmes for new technologies as well as viable and politically acceptable financial and institutional mechanisms.

28. Some developing countries which were well endowed with natural resources had become better off and had gained new economic power; they were in a position to meet their own development requirements and also to lend a hand to other countries. But the majority continued to stand in critical need of external financing; global economic co-operation remained essential for the neediest of the developing countries. It was regrettable that so little progress had been made since 1960 on the issue of transfer of capital, an important aspect of which was accumulation of foreign debts.

29. The quantitative target fixed by the General Assembly for the flow of financial resources from developed to developing countries (0.7 per cent of their GNP for official development assistance) was far from being achieved and the actual flow remained below half of that target. It was staggering to think that the world was spending annually \$300 billion on "defence activities", when the net flow of official development assistance amounted to some \$15 billion per year.

30. Little attention had so far been given to ensure that financial assistance was distributed among the recipient countries as equitably as possible. Low-income countries where there was acute poverty often received a disproportionately small share of external capital flows. That was a result of the fact that political considerations continued to play a major role in the policies of some aid-giving

countries and the fact that private capital, by and large, shied away from the low-income developing countries. The establishment of a new international economic order called for the divorcing of flows of concessional assistance from political considerations and required that aid flows should be firmly based on the criteria of development requirements and justice. To redress the imbalance, the part of international finance which was channelled through multilateral organizations should be substantially increased. In that respect, IFAD offered great hopes.

31. At the same time, the development effort which could only be marshalled domestically should not be underestimated in discussions in world forums. In fact, increased attention was being given in those forums to national policies designed to improve more rapidly the lot of groups of people which lived below the poverty level. Countries which wanted first of all to satisfy the essential needs of the poorest section of their populations, and in so doing applied new policies and methods, should be able to count on the special assistance of the international community. As the recent Habitat: United Nations Conference on Human Settlements had eloquently reminded the world community, the requirement of social justice should be stated as precisely as the economic objectives in global designs.

32. The development process could also gain much through co-operation between the developing countries themselves. What was called collective self-reliance should help to redress the imbalance between the North and the South and encourage the industrialized countries to commit themselves more readily to a truly global design, since it should elicit the technological and financial assistance of the more advanced countries and would facilitate the drawing up of preferential trade arrangements.

33. As the field of co-operation would go on extending, it was natural that the international community should look at the modes and instruments of such co-operation. For some time Governments had been aware of the need to restructure the United Nations system, which was the one instrument of collective action. The Economic and Social Council had too often been unable to live up to the mandate given to it under the United Nations Charter, and other organs had been created to which some of the more urgent functions of international co-operation had been entrusted. The Council should be a watch-tower for the international community from which it would maintain a continuing watch over the whole range of economic and social issues upon which the future of the world depended and in which it would analyse those problems and their complex interaction. The Council should anticipate needs, warn of new obstacles and stimulate, as necessary, the design of new programmes and mechanisms. Of course, the Council could not claim a monopoly over those functions. It could at least ensure that they were implemented by drawing upon the resources of the specialized agencies and the non-governmental organizations. If it played such a role, the Council would be giving its mission the most profound meaning of the Charter. Why should it not begin at Abidjan? It was for the Council to answer that question and on its answer would largely depend the progress of international co-operation.

Statements by spokesmen of groups of States

34. Mr. ROUGÉ (France) speaking on behalf of the Western European and other States, thanked Ivory Coast for its hospitality to the Council. By coming to Abidjan, the Council had wished to pay homage to an Africa still marked by traces of under-development, but also to a continent the resolution of whose men, the vigour of whose progress and whose dynamism indicated as the equal partner of the industrialized countries.

35. After the fourth session of UNCTAD at Nairobi, the Abidjan meeting was also a recognition of Africa's place in the building of a more stable world and attested to the attachment of the African countries to international co-operation and to the Council. The group of Western European and other States hoped that the United Nations would emerge strengthened from that series of meetings with which the African continent was directly associated. It also hoped that the Council would find in the experience and wisdom of the young African States new ways of fulfilling its task. It was proper, moreover, that it should be Ivory Coast which offered the Council the opportunity of holding its first meeting on African soil, in view of the unanimous regard in which President Houphouët-Boigny was held, the esteem due to Ivory Coast for the pace of its development, the respect for the stability of its friendships, and the exemplary quality of its policy of independence and co-operation.

36. The group of Western European and other States sought to learn from the results of the many meetings in which it had participated during the past year in order to define or clarify its intentions. The countries of that group did not want confrontation, they were not seeking the success of any particular ideology, nor did they believe that it was in the interests of the international community for one country or group of countries to try to force adoption of a doctrine that was more or less ephemeral. Nor did they wish, according to what action might be taken, to vie for the favours of their friends of the third world. The only struggle that interested them was the struggle against under-development, the only victory they wanted was victory of the spirit of co-operation. It was in that spirit that they were approaching the work of the sixty-first session of the Council.

37. Speaking in his personal capacity, he expressed satisfaction at seeing the principal organ of the United Nations in the economic and social field meeting under the chairmanship of the Head of State of Ivory Coast. The meeting would certainly be a new triumph for Ivory Coast, which was a matter of great satisfaction to him.

38. Mr. HOEHNE (German Democratic Republic), speaking on behalf of the socialist States of Europe represented at the session, thanked the people of Ivory Coast for their invitation and hospitality.

39. The fact that the main body of the United Nations responsible for economic and social affairs was holding its session on the African continent was an indication of the growing role played by African peoples and States in international relations and in the struggle against imperial-

ism. The session should contribute towards making peace more secure, furthering the international relaxation of tension and developing peaceful co-operation between States.

40. The socialist States, which had always been at the side of peoples and countries fighting for their national liberation and economic independence, would help them in eliminating the last remnants of colonial and racial domination and in carrying out their political, economic and social tasks. It was their hope that the sixty-first session of the Economic and Social Council would make a real contribution to the establishment of equal and mutually advantageous relations among all the countries of the world; they were resolved, for their part, to work to that end.

41. Mr. RASHID (Bangladesh), speaking on behalf of the Asian States, said that President Houphouët-Boigny, in his remarkable opening address, had expressed the feelings and hopes not only of the peoples of the African continent, but of Asia as well and, indeed, of all mankind.

42. The Council's session was being held in a country which provided the world with an example of receptiveness to dialogue and co-operation. Furthermore, the countries assembled at Abidjan could see how Ivory Coast had been able, through courage and determination, to solve its economic and social problems to a large extent.

43. After centuries of struggle for political and economic freedom, the peoples of the third world were today expecting a better deal from the developed and industrialized nations. Political freedom was meaningless unless it was accompanied by economic development which would enable their peoples to enjoy an acceptable standard of living. The poorer nations represented 70 per cent of the world's population, and in about ten years' time that percentage would probably have increased by some 10 to 20 per cent. The rich countries could not live in an island of prosperity surrounded by that sea of misery. It was urgent, therefore, to establish a new international economic order, so that all countries, poor or rich, could be spared the dire consequences which otherwise awaited them. The international community must come forward and help the poor countries to build up a new future.

44. In his speech, President Houphouët-Boigny had stressed the urgent necessity for an end to colonial rule and racial discrimination. Recent events in South Africa had shown how brutally the racist régimes suppressed the rightful demands of the majority. In the Middle East also, in spite of the efforts made by several countries and by the United Nations, the situation remained extremely grave, and lasting peace there was impossible unless the occupied territories were evacuated by Israel and the Palestinian people regained their legitimate rights. How different was the situation in Ivory Coast, where people of different races lived together in peace and harmony!

45. Relations between the countries of southern Asia were improving. It was to be hoped that those countries would work together to solve their common problems so that the fruits of independence could be shared equally by all.

46. As President Houphouët-Boigny had said, the greatest asset of the third world was solidarity. While the rich nations should help the third-world countries in their development efforts, there should be mutual respect for the integrity and freedom of each nation. Only in that way could all countries march hand in hand towards their goal.

47. Lastly, he thanked the Government and the people of Ivory Coast for their hospitality. During its deliberations, the Economic and Social Council would be guided by the words which had been addressed to it and, even more, by all that Ivory Coast had achieved in such a short span of time since gaining its independence.

48. Mr. CORRÊA da COSTA (Brazil), speaking on behalf of the Latin-American countries, expressed their hope that the action of the developing countries with a view to establishing a new international economic order by means of a frank dialogue with the industrialized Powers would take on new momentum at Abidjan. The political independence to which almost the whole of the African continent had only recently acceded was, in fact, only a stage towards total emancipation which, for the developing countries, must include economic independence, sovereignty over natural resources and freedom to adopt the policies which best met their national interests.

49. The United Nations had succeeded in bringing about decolonization. After Abidjan, it must now devote itself to the complementary task of establishing a fairer and more equitable economic order. The spirit of dialogue and consultation which characterized the political life of Ivory Coast should be a source of inspiration for the Council and enable it to obtain the anticipated positive results.

50. Mr. DIOP MAMADOU (Congo), speaking on behalf of the African countries, expressed satisfaction at the honour that was falling to Ivory Coast in welcoming the session of the Council. The thoughtful attention surrounding the Council at Abidjan was a guarantee of serenity for its work. It went without saying that all would do their utmost to avoid the delaying tactics and the sterile debates in which discussion bogged down whenever certain questions were dealt with, fundamental though they were for long-term peaceful coexistence. The African countries hoped that the session of the Council would not become a dialogue of the deaf as, unfortunately, the Conference on International Economic Co-operation in Paris and the fourth session of UNCTAD at Nairobi had done. The warm welcome of Ivory Coast should make it possible to hope for more concrete results.

The meeting rose at 12 noon.