

2015th meeting

Tuesday, 6 July 1976, at 3.25 p.m.

President: Mr. S. AKÉ (Ivory Coast)

E/SR.2015

In the absence of the President, Mr. E. Longerstaeys (Belgium), Vice-President, took the Chair.

AGENDA ITEM 3

General discussion of international economic and social policy, including regional and sectoral developments (continued) (E/5790 and Add.1, E/5806, E/5808, E/5823, E/5825/Rev.1, E/5827, E/5834)

1. Mr. RASHID (Bangladesh) said that, in spite of measures taken by the international organizations and the affluent nations, prospects for the poorer countries were far from promising. An enormous trade deficit of nearly \$40 billion for the period July 1975 to June 1976 and the lack of markets for their products had created a serious situation which would not only affect the social and economic structure of the poorer nations but might lead to political upheavals unless urgent remedial action were taken. It was a situation which all the nations of the world, especially the rich nations, must face up to.
2. Unlike the industrialized nations, the developing countries showed no signs of recovering from the recent economic recession. The richer nations were now in a position to give them more help than in the past, and the developing countries deserved more aid because inflation had increased the cost of food, oil and other essential commodities and because their export earnings had declined – particularly those of the most seriously affected group.
3. The Council was now facing up to those problems and it would be disappointing if the industrialized nations remained silent. The United Nations was still the best hope for solving the third world's problems and the Council must face up to its responsibilities.
4. In a world which had experienced unprecedented technological progress and economic growth, the bulk of mankind was still languishing in poverty and starvation, and the gap between rich and poor was increasing. In recent years both rich and poor nations had shown concern at the inadequacy of the existing economic order and had stressed the need for a new one which would give the developing countries a better deal. That desire was reflected in the declared objective of many rich nations to increase development assistance to the third world countries so as to speed up their economic growth, and in the developing countries' demand for fairer prices for their raw materials. The price of jute, for example, which represented 80 per cent of his country's export earnings, had fallen alarmingly, and the situation called for action by the international community.
5. Debt servicing was eating away almost half of the new loans to the poorer countries – in other words, donor countries were giving only about half the amounts shown in documents on development aid. At a time when the economies of the poorer countries were undergoing serious strains, that *de facto* reduction in aid made it harder for them to balance their budgets. The best course would be to wipe the slate clean and so help the developing countries in their plight.
6. He drew attention to the proposals put forward at the fourth session of UNCTAD that the most seriously affected countries should be exempted from debt repayments, or that at least debt servicing should be deferred as long as those countries were unable to overcome the economic crisis, and that the developing countries' commercial debts should be consolidated and payments to service such debts rescheduled over a period of at least 25 years.
7. The present rate of development in some of the poorer countries, particularly in south-east Asia, fell far short of the goal set in the International Development Strategy. That was due in a large measure to the emphasis placed on agriculture in those countries, which was subject to the vagaries of the weather, and also to unprecedented balance-of-payments problems caused by adverse terms of trade since the early 1970s. There had, however, been some improvement in the economic growth rate in 1975-1976, mainly due to improved agricultural production resulting from exceptionally good weather.
8. International events since the early 1970s had been most detrimental to the countries least able to bear the shock. Those countries had been demoted from the third world to the fourth world, and were now facing critical tasks merely to prevent a further reduction in their *per capita* income. The inflow of external assistance, on which the growth target of the Second United Nations Development Decade had depended, had fallen far short of requirements. Even without the extraordinary international developments over the past few years, those countries would have found it impossible to attain their modest growth target without external aid, and the present situation made the need for it even greater. Unfortunately the target figure for foreign aid was becoming more remote. According to the *World Bank Annual Report, 1975* it had declined from 0.51 per cent in 1963 to 0.33 per cent in 1974, and was expected to decline further to 0.24 per cent by 1980. The Bank estimated that, to attain the 6 per cent growth target, the official development aid target should be raised to 0.8 per cent. The flow of private capital into the poor countries had been negligible; the gap between requirements and reality was all too evident.
9. The situation was not consistent with the idea of a new international economic order and the transfer of resources.

If the world was to be regarded as a village community – in the words of a prominent developed country personality – the more affluent villagers must be more willing to go to the assistance of their poorer neighbours.

10. His own people faced the gigantic task of reconstructing the country and rehabilitating its economy, after its sufferings in the struggle for liberation. It was trying to increase food production and industrial production, particularly export items. With a view to improving the people's economic and social conditions, it had embarked upon a number of economic, monetary, fiscal and agricultural policies which were beginning to show results. Agricultural productivity had increased and inflation had been contained. There was danger of a setback, however, as a result of unilateral upstream withdrawals of Ganges water at Farakka in India which had serious implications for agriculture, fisheries, industry, navigation and ecology. Efforts were being made to solve the problem on a bilateral basis but, should they fail, his country would look to the international community and friendly nations for assistance, as in the past.

11. There were two major problems which still haunted the developing countries and which should be regarded as global problems: namely, food and population. Population was outstripping food production in the world but there was great scope for increasing food production in both developed and developing countries. He hoped that the problem would be solved through WFP – with a buffer stock to help the less developed countries to boost their food production – and the newly created IFAD.

12. Control of population growth in developing countries was a complex problem which also called for all-out international co-operation, since it threatened to nullify the poorer countries' development efforts. Progress was slow and discouraging, more practical action was needed, and more international help should be provided, particularly to countries with a high population density, such as his own.

13. Development would be meaningless unless its results were fairly distributed within and among nations. Social justice should be uppermost in the minds of planners in developing countries, and a prime objective should be the improvement of the lot of small farmers, landless labourers and slum dwellers if a social conflagration was to be avoided in the future. International co-operation must be extended to the developing countries in their efforts to improve conditions for their people and assure them of employment and a dignified existence.

14. Mr. SHERIF (Egypt) said that the world community was standing at a crossroads; it could either take the path to a new international economic order or choose to perpetuate the present, obviously ineffective, international economic structure.

15. Its meeting in Africa gave the Council a comprehensive view of the critical problems facing the developing world. For the African continent the 1960s had been the decade of struggle against colonialism, racial discrimination and *apartheid*, while the 1970s had brought the equally challenging and arduous battle of economic and social

development. Africa included 18 of the 29 least developed countries, 27 of the 41 most seriously affected, 13 of the 20 landlocked and all the 8 drought-stricken countries.

16. Although the problems of economic and social development differed according to country and region, an overwhelming common problem was the unfavourable conditions of the people of the developing countries. The average growth rate in most developing countries was still barely 3 per cent and the annual *per capita* growth in real product 0.3 per cent compared with the International Development Strategy target of 3.5 per cent.

17. In addition to the Programme of Action on the Establishment of a New International Economic Order and the Charter of Economic Rights and Duties of States, it was appropriate that the developing countries should establish a practical policy of economic co-operation based on their own collective self-reliance. He therefore looked forward to the Fifth Conference of Heads of State or Government of Non-Aligned Countries to be held at Colombo in August and the Summit Meeting of the Group of 77 to take place in Mexico in September as important steps towards co-ordinating their efforts aimed at co-operation and strengthening their common front for negotiation.

18. Co-operation between African and Arab countries was a positive example of interregional co-operation, which had entered a new phase since the meeting between the foreign ministers of the two groups of nations at Dakar in April, to prepare for an Afro-Arab summit, and the adoption of a declaration and programme of action covering extensive political, economic, cultural and technical co-operation. Basically, however, the situation called for an international approach to the many serious problems that were the legacy of the old economic order. The reform of the world economic order was a common task for all Member States of the United Nations, developed or developing.

19. The Council, meeting at Abidjan two years after the adoption of the Declaration on the Establishment of a New International Economic Order and soon after the fourth session of UNCTAD, should engage in serious stocktaking. He was deeply concerned that the fourth session of UNCTAD, which represented the fourth round of negotiations in 12 years between developed and developing countries, had contributed only marginally to the objective of seeking solutions to the major problems faced by the developing world. UNCTAD Resolution 93 (IV) on an Integrated Programme for Commodities was a step in the right direction, but political will was needed to implement it. The Conference had left unsolved a number of crucial issues, such as the developing countries' monetary, financial and debt problems.

20. It was therefore important not to lose the momentum gained recently in certain international meetings and not to waste time on issues where progress was slow. The United Nations system offered the only possibility for an integrated multisectoral approach to the problems of economic and social development. But the role of the United Nations must be enlarged, its resources expanded and its effectiveness further enhanced. He welcomed the establishment of

IFAD and urged the developed countries to fulfil their commitments so as to enable the Fund to start operations.

21. He looked forward to the speedy preparation of a constitution for UNIDO as a specialized agency with a more effective central role in industrial development, in accordance with the principles of the new international economic order and the Lima Declaration on Industrial Development and Co-operation. He also noted the significance of the recent Habitat: United Nations Conference on Human Settlements which had stressed the immediate need for a programme of international co-operation and the creation of intergovernmental machinery. On the other hand, he shared the concern expressed about the financial difficulties of UNDP and other United Nations bodies, and hoped that the situation and its disruptive effects on development programmes and projects in many developing countries would be remedied as quickly as possible.

22. It was universally recognized that the establishment of peace as an indispensable factor in economic and social progress meant the elimination of foreign aggression and occupation, racial discrimination, *apartheid* and colonialism. The South African régime's recent atrocities against innocent civilians and schoolchildren in Soweto and other native townships were yet another reminder of the urgent need to eliminate racial practices wherever and in whatever form they existed. Equally shocking was the flagrant violation of Ugandan sovereignty by Israel in the reckless raid on Entebbe airport. The growing co-operation between the authors of *apartheid* in South Africa and their counterparts in Israel in the political, economic and military fields was an indication of their unity in thought and practice. A firm stand was needed on the part of the world community in support of the fundamental and legitimate rights of the peoples of South Africa and Palestine. He quoted the words of the President of the Republic of Ivory Coast (2006th meeting) in that connexion.

23. The purpose of the present session was to facilitate and further, not obstruct, the dialogue between developed and developing countries. A real dialogue was a process of mutual understanding and accommodation; it could never be achieved by compromising principles, trading away inalienable rights, or settling for partial sovereignty over national resources. Negotiation was easier when it was known what was and what was not negotiable. His delegation would regard as unnegotiable a developing country's right to sovereignty over its national resources and the right to compensation for economic loss or damage resulting from any form of aggression.

24. The agenda reflected the wide range of issues associated with the process of applying the concepts and provisions of the Declaration on the Establishment of a New International Economic Order and the Council's increasing role in that process. It was essential to strengthen the Council's authority and powers to enable it to carry out its role in co-ordinating the activities of the organs of the United Nations system.

25. Equally important was the task of restructuring the United Nations system to make it better able to deal with

the problems of international economic co-operation and development in a more comprehensive and effective manner. His delegation felt, however, that the proposed structural change, though necessary, was insufficient. He suggested that further reform measures should be included in the agenda of the Council's future sessions for consideration. The quality of the human resources of the United Nations system required upgrading, since the new era also called for new ways of thinking and new approaches and skills in solving problems. More than at any time in the past, the United Nations system needed a genuine and rigorous reassessment of its effectiveness. Given the courage to admit deficiencies and the ability and wisdom to learn from experience, there was hope for a better performance.

26. Mr. JUMBA-MASAGAZI (Uganda) said it was understandable that the overriding emphasis in the United Nations Charter was on security and political issues, since the Charter had been drawn up at a time when the world had suffered two catastrophic wars in half a century and when most of Africa and the third world was still under the colonial yoke. It was ironic that the only signatory from the African continent had been South Africa which, after the collapse of colonialism and the accession to independence of the 48 members of OAU, was still the bastion of discrimination, *apartheid* and oppression. His country had unreservedly pledged itself, at the sixth and seventh special sessions of the General Assembly, through the Charter of Economic Rights and Duties of States and the relevant resolutions of the General Assembly, as well as in other United Nations organs, to work for the establishment of a just and equitable new international economic order. Mankind's crucial problems for many years to come were likely to be predominantly economic and social, and the Council must be geared to meet them.

27. Although a faint gleam of hope was visible on the world economic horizon, there were suggestions in the industrialized nations of Western Europe of a further recession following the recent brief recovery, and of prolonged stagnation and continuing inflation. Economic growth in the developing countries in the past five years had been scanty and in some cases ground had been lost. The most seriously affected countries had been the ones least able to withstand the present crisis; they included the 29 least developed, 18 of which were situated in Africa, many of them being landlocked or situated in drought- or other disaster-prone areas. Africa also contained 28 of the 45 most seriously affected countries. His country believed in and had demonstrated its willingness to participate in economic co-operation to achieve the new international economic order. He hoped that others shared that belief and would approach the issues to be discussed by the Council with open minds.

28. The lesson that co-operation produced better results than confrontation had been learnt the hard way. Some might be tempted to say that the industrialized countries should unite and harmonize their strategy for dealing with the socialist and the developing countries. Such unity would cause no difficulty if its object was a just distribution of world resources in accordance with the new international economic order; but if it perpetuated the iniquities of the old economic order and widened the gap

between the haves and the have-nots it would be a retrograde step towards confrontation.

29. The sixth special session of the General Assembly had heard the declaration of economic interdependence and witnessed the beginning of a new era of economic co-operation – different from the old era in which certain countries had used extortion, intimidation and political pressure for their own economic ends and accused the developing countries of banding together and using similar tactics. Recent trends in Africa had shown that no amount of intimidation or blackmail on aid would deter the continent from following economic policies in the best interests of its people. It was heartening that some industrialized countries were concentrating on assisting Africa; those countries had a common economic destiny with the third world. The developing countries had been patient for many years and the time had come for real economic action to redress the old economic iniquities. It was no use talking of peace, security and stability in a divided world where the majority of people lived in abject poverty resulting from an outmoded economic order and the minority lived in affluence based on the exploitation of the poor nations.

30. Since economic growth should be world-wide, he welcomed the expansion of trade between the socialist and the developing countries and the assistance provided by the socialist countries to the third world. He hoped that trade and aid would increase at a faster rate than previously. It was also gratifying to note that trade between the OECD and socialist countries had increased in the past four years, and he hoped that trend would benefit the developing countries.

31. Large-scale investment in the drought-stricken Sahel region would vastly increase its production, which at present amounted to about 5.5 million tons of grain a year. The help being given to those countries by the world community and United Nations agencies was welcome, but was only a short-term measure. Attention should now be concentrated on long-term planning for agricultural production. There was no room for optimism: records showed that one year in five was likely to be bad, and that serious drought might occur twice a century. All nations should unite to ensure the success of the international development effort on behalf of the Sahel, and thereby avoid the need for costly emergency relief measures. With proper management and massive investment in that region and the whole sub-Sahara belt, enough food could be produced for domestic consumption and export.

32. Referring to the results achieved by the fourth session of UNCTAD, he urged developed countries which had not already done so to accept the principle of indexation, eliminate tariff and non-tariff barriers against the developing countries' exports on a non-reciprocal and preferential basis, achieve the target of 0.7 per cent of their GNP as official development assistance to the developing countries in accordance with the International Development Strategy for the Second United Nations Development Decade, agree to participate with the developing countries in reforming the international monetary system to safeguard the developing countries' interests and ensure them an equal and

effective voice in world monetary decisions, accept a legally binding international code of conduct for the transfer of technology, end restrictive business practices, accept the cancellation of the developing countries' external debts, and implement the special measures in favour of the most seriously affected, least developed, land-locked and island developing countries.

33. His country had participated actively in the preparatory work for Habitat: United Nations Conference on Human Settlements and in the Conference itself at Vancouver; supported the Declaration of Principles adopted by the Conference (see E/5868, chap. I), the Recommendations for National Action and the Programmes for International Co-operation, and believed that their implementation would go a long way towards improving human settlement conditions in developing countries. The momentum generated by that Conference in creating a global awareness of human settlement issues must be maintained, and his delegation shared the view that national action, supplemented by international co-operation where necessary, was of primary importance. He supported the establishment of a new independent world body to be headed by an official with the rank of Under-Secretary-General. He reaffirmed his Government's offer to act as host to an African regional office if and when established.

34. His Government attached great importance to the work of the Commission on Transnational Corporations, for the size, financial power, superior technology and organization of the transnationals had placed them beyond the effective control of individual States, especially small developing countries like his own. The problems generated by their activities and the problems of corrupt practices, including bribery and political manipulation, had assumed grave proportions. His Government, which had consistently maintained that the proposed code of conduct should not be simply a declaration of principles but legally binding on all transnational corporations, looked forward to participating in the work of the *Ad Hoc* Intergovernmental Working Group set up to prepare a draft code of conduct.

35. He hoped that the spirit of co-operation that had prevailed at the seventh special session of the General Assembly would inspire the present session of the Council, and that the intransigence shown by some delegations at the fourth session of UNCTAD would be avoided. Above all, he hoped the Council would recognize the tragedy that had for so long beset the vast majority of mankind – the exploitation of the developing countries and the growing gap between them and the developed countries. Only the hypocrisy of international terminology camouflaged that reality.

36. Before concluding, he wished to refer to the senseless and wanton invasion of his country by Zionist aggressors from Israel on Sunday, 4 July. Although Israel had received some congratulatory messages on its blatant and unprovoked aggression against an innocent member of OAU and the United Nations, all peace-loving people had condemned the action, as had the OAU Summit Conference meeting in Mauritius and the Secretary-General of the United Nations. OAU had also called for an emergency meeting of the Security Council.

37. The sequence of events was that, at about midnight, on 27 June, an Air France plane carrying about 257 passengers had requested to make an emergency landing at Entebbe airport because it had been hijacked and was short of fuel. The President of Uganda had given it permission to land, and the following day had negotiated personally with the hijackers at the airport in an effort to ensure the safety of the passengers. At the risk of his own life he had persuaded them to allow their hostages to leave the plane. Negotiations had been conducted in the presence of the French Ambassador to Uganda. The President's efforts had resulted in the release of 148 hostages. An envoy sent by Yassir Arafat, the leader of the Palestine Liberation Organization, in response to the President's appeal, had been rejected by the hijackers.

38. Israel had promised urgent action, and had suggested the possibility of sending six cabinet ministers to negotiate with the hijackers, possibly through the Government of the Federal Republic of Germany. President Amin Dada had left Kampala to attend the OAU Summit Conference and had appealed to Israel from Mauritius to meet the conditions of the hijackers who were demanding the release of 53 prisoners held in different gaols in exchange for the lives of about 112 hostages. The President had returned home before the end of the OAU Summit Conference in order personally to ensure the safety of the hostages, and Israel had assured the world of its willingness to negotiate. On Saturday, 3 July Israel had attacked Uganda, accusing the President of collaborating with the hijackers.

39. That chain of events had culminated in the ruthless massacre of unsuspecting Ugandan soldiers, whose only crime had been to protect innocent hijacked passengers, and the wanton destruction of Ugandan property. Uganda protested in the strongest manner at that unprovoked attack on her territory.

40. As for the suggestion that the operation had been a humiliation for Uganda, he had spoken to President Amin Dada on the telephone and could assure members of the Council that the decision not to shoot down the Israeli aircraft had reflected neither cowardice or weakness, but simply a desire to avoid the risk of killing the hostages.

41. Mr. SOFFER (Observer for Israel), speaking at the invitation of the President and in exercise of his right of reply, said that although the subject of international economic policy was too important for the Council's attention to be diverted by extraneous matters, the Ugandan representative had seen fit to raise the question of Israel's rescue of hostages held at Entebbe airport by a group of Palestinian terrorists. It could not be denied that some of the aspects of the hijacking of a civil aircraft with some 200 innocent passengers on board – a senseless act of terrorism – had aspects which went far beyond the Middle East conflict and were of direct and immediate concern to the entire world community.

42. The Ugandan representative had failed, however, to mention some facts which his own delegation wished to bring to the attention of the Council. After refuelling in Benghazi, the Air France airliner had headed for Entebbe. The question was why the terrorists had chosen to go to

Uganda. All reports showed that Uganda had co-operated with the terrorists under a cloak of deception. In that connexion, he referred to articles which had appeared in *The Sunday Times* of 4 July 1976 and *The Observer* of the same date and which indicated that from the very outset Uganda had been an active ally of the terrorists and taken steps that had greatly improved their chances of attaining their objectives. According to those press reports and the testimony of several hostages, Ugandan soldiers had helped to guard the hostages and the Ugandan authorities had even supplied the hijackers with additional automatic weapons, thus strengthening their bargaining position. It must be stressed that, by collaborating with the terrorists, the Ugandan army had become an accomplice in the cowardly hijacking and extortion attempt. In the rescue operation, the rescuers had operated not only against the terrorists but also against the Ugandan forces that protected and helped them. All evidence pointed to the fact that that act of international piracy had been aided by the Ugandan Government in flagrant violation of its obligations under international law and the United Nations Charter.

43. With regard to the statement by the Secretary-General of the United Nations, he had just been informed that the Secretary-General had found it necessary to issue a denial concerning the text carried by the wire services. He hoped that the Secretariat would make the correct text available as soon as possible.

44. Israel had exhausted all possible conventional means at its disposal to obtain the release of the remaining hostages, who had been Israeli citizens and Jews of other nationalities; the hostages of other faiths had been released previously. Thus it had become clear that the hijacking had been directed solely against Israeli and Jewish passengers. The Economic and Social Council, which had devoted so much of its attention to problems of religious and racial discrimination, might well ponder an act whose sole aim was to kill a large group of Jews.

45. In its efforts to seek the release of the hostages, the Israeli Government had agreed to release the terrorists held in Israel. In the course of the negotiations, however, it had become obvious that the demands of the terrorists were beyond the realm of any possible response. It was only then that Israel had decided to take the only remaining course to secure the rescue of the hostages.

46. The Ugandan representative claimed that the rescue operation had infringed his country's sovereignty; yet the only infringement had been by the organization which had instigated, planned and carried out that heinous act. The sole aim of the operation by the Israeli army had been to save the lives of more than 100 innocent persons. It had not been a reprisal but a case of legitimate self-defence by Israel.

47. The hijacking was not an isolated act but only the latest in a long list of acts of terrorism committed by the so-called Palestine Liberation Organization and its affiliates.

48. Mr. JUMBA-MASAGAZI (Uganda), speaking in exercise of the right of reply, said that his delegation denied in the strongest possible terms the allegations made by the

representative of the Zionist State. With regard to the press reports mentioned, he said that a number of Ugandan troops had indeed been stationed at Entebbe airport, but solely for the purpose of ensuring the safety of the hostages. It was not true that the Ugandan authorities had connived with the terrorists; assertions to that effect were pure fabrications intended to solicit the sympathy of the Council.

49. He was sure that representatives were familiar with the incident in question, which showed clearly that Israel was a terrorist State. It was not true that Uganda discriminated against Jews, for its President had repeatedly stated that his quarrel was not with the Jews but with the expansionist tendencies of Zionism. In that regard, a clear discrimination must be made between such tendencies and the religious beliefs of Judaism.

50. Mr. KAUFMANN (Observer for the Netherlands), speaking at the invitation of the President, said that the entire range of development situations was represented in the African continent, which also contained one of the most seriously affected regions of the world, the Sahel. The inadequacy of the infrastructure of many newly independent countries, due in some cases to their colonial past, was a cause of deep concern.

51. Africa had become the continent where many central issues were discussed, as witness the holding of the fourth session of UNCTAD at Nairobi, the Summit Conference of the OAU in Mauritius, and the forthcoming General Conference of UNESCO to be held at Nairobi. The continent was also a focal point of attention in other ways, in view of the unsettled situation in South Africa.

52. The CDP had rightly pointed out in its report (E/5793 and Add.1) that the problems of the poorer countries of Africa involved the conscience of the whole world, and required concerted and effective action on a new and dramatic scale.

53. He recalled that his delegation had been a sponsor of General Assembly resolution 3510 (XXX) concerning immediate needs resulting from economic emergency situations, and said he was somewhat disappointed that the report of the Secretary-General requested in that resolution was not yet available to the Council.

54. The Netherlands Government, apart from providing aid to a relatively large number of African countries, had reacted swiftly to help meet particularly difficult situations in Mozambique, Niger, Zambia and Egypt. It had also established assistance programmes for newly independent African countries, including Guinea-Bissau, Cape Verde and Angola, and for liberation movements. Total Netherlands bilateral assistance in 1975 had amounted to \$88 million. Structural challenges, exemplified by the problems of the Sahel area, were given special attention because of their urgency and because they corresponded to the Netherlands development policy of meeting immediate needs arising from economic emergencies. For that reason the Netherlands had become a member of the *Club des Amis du Sahel* and had recently pledged \$20 million to the programme of the Permanent Interstate Drought Control Committee for the Sahel.

55. The Netherlands' development policy was being increasingly geared to improving the condition of the poorest peoples and groups, with emphasis on short-term needs which had in the past sometimes been neglected as a result of concentration on long-term policies. It was often forgotten that any long-term approach to improving living conditions could not be successful unless the effort was sustained by the people involved, and that could be achieved only when people saw improvements, however small, for themselves and their neighbours in a very short term.

56. His Government, which wholeheartedly supported policies of non-discrimination in racial matters, abhorred *apartheid* and racial discrimination as defined in the International Convention on the Eradication of all Forms of Racial Discrimination.

57. Probably the most important item on the Council's agenda was the Programme of Action on the Establishment of a New International Economic Order and the revision of the International Development Strategy (agenda item 9). His Government believed that concerted action by Governments, regional groupings – including EEC – and international organizations could bring about a more equitable international economic system, which should stimulate the development process and correct certain deficiencies in the present system.

58. A vastly increased flow of resources from rich to poor countries was needed. In that connexion he recalled that the Netherlands was among the very few developed market economies that had achieved the 0.7 per cent target for official development assistance. His Government hoped that IFAD would shortly become operational, and had been one of the first to announce its willingness to contribute to that Fund. A major effort should be made to redirect as much as possible any increased flow of resources to the poorest countries, which were at present receiving a disproportionately small share.

59. His Government had accepted the integrated commodity approach agreed upon at the fourth session of UNCTAD, and hoped that negotiations on specific commodities would be successful. A commitment to negotiate was in fact emerging in the international community; the Netherlands intended to work actively to ensure implementation of the Integrated Programme for Commodities, and, thereby, progress towards a more just and equitable international economic order.

60. The Netherlands strongly supported the initiation of discussions on the procedure to be followed in the preparation of a development strategy for the third development decade, perhaps in conjunction with the review and appraisal of the Second United Nations Development Decade in 1977. In that connexion, structural problems in the economic and social sectors of both developed and developing countries should be examined at the international level. The aim of the third development decade and the new international economic order should be a more equitable international distribution of industrial and agricultural production, but attention should also be paid to aspects of social structure. The new development decade

should reflect the results of the sixth and seventh special sessions and of recent United Nations global conferences, and translate them into specific commitments. New targets might include agreed minimum standards related to certain basic needs of individuals and groups, reflecting the results of the work done by various organizations. The United Nations system, led by a revitalized Council, under the guidance of the General Assembly and inspired by a strengthened secretariat, should play a major role in finding solutions to problem areas in industry, agriculture, health and education. The accumulated experience of the United Nations system, including UNDP, should enable the Governments of developing countries to avoid pitfalls along the path to balanced economic and social growth.

61. The availability of the right framework and machinery for negotiation and decision-making was very important, and sensitive economic issues could be dealt with on the basis of real dialogue and consensus. He endorsed President Houphouët-Boigny's view that there must be an end to threats of a break in negotiations and last-minute compromises, and agreed that once legitimate interests were recognized, discussions could take place in an atmosphere of greater frankness and confidence; the Council's present session too could end with a consensus. What mattered was the political will to negotiate rather than the body or the number of bodies in which that will was expressed. The Netherlands attached great importance to the dynamic restructuring of the economic and social sectors of the United Nations system and to the resumption by the Council of its role under the United Nations Charter. The work of the *Ad Hoc* Committee on the Restructuring of the Economic and Social Sectors of the United Nations System held out the promise of constructive results in that regard.

62. Mr. BLANCHARD (Director-General, International Labour Office) said that the recent Tripartite World Conference on Employment, Income Distribution and Social Progress and the International Division of Labour, which had touched upon many of the subjects on the Council's agenda including population, trade and development, co-operation in industrialization, export promotion and transnational corporations, had been remarkably successful and had adopted a Declaration of Principles and a Programme of Action (see E/5857). The three major conclusions of the Conference were, first, that the eradication of mass poverty and the satisfaction of the basic needs of the low-income groups should henceforth be the primary objectives of national and international development policy; second, that appropriate action should be taken in the rural sector, social policy particularly with regard to women, young workers and the aged, instruction and education, and the participation of organized groups in the development process, with a view to creating an adequate number of jobs and possibly achieving full employment in the developing countries before the year 2000. Third, that the satisfaction of basic needs – food, shelter and access to basic services, i.e. health, education, cultural activities, and public transport – should be seen as a "one-world" objective which, of course, was of direct concern to the countries actually suffering from poverty, but it also implied a degree of collective responsibility and international solidarity on the part of the world community as a whole.

63. Those were specific responses to the desire expressed by the General Assembly of the United Nations to eliminate the inequities and inequality affecting much of humanity. They also met the wishes expressed by the Secretary-General of the United Nations in his message to the Tripartite World Conference regarding the need to define more clearly the objectives of development based on a unifying theme capable of providing the needed impetus to a genuine international policy for development during the next generation. Such a theme might be centred around the concept of the basic needs which must at all costs be met in the years to come.

64. The idea was, of course, not entirely new. For example, the work done by the United Nations Secretariat and by the United Nations Research Institute for Social Development had already suggested the idea of a strategy designed to eliminate mass poverty primarily through productive employment and the active participation of the poor and disadvantaged segments of the population. In recent years the World Bank had done large-scale research on the subject and taken vigorous action along those lines. Some bilateral development assistance programmes were also of considerable value, as indeed were the programmes financed by Western countries, in particular the Scandinavian and Benelux countries, and the general policy statements contained in the United States 1975 Food Assistance and International Development Aid Act. However, it was the Tripartite World Conference on Employment that had induced the international community to adopt the concept of basic needs and the relevant strategy set out in the Programme of Action.

65. Its action had been of great significance because, for many countries, and in particular the developing countries, the application of the basic-needs concept would require structural reforms and difficult political decisions relating to agrarian reform, investments emphasizing small enterprises in addition to large-scale manufacturing and commerce, appropriation of considerable public funds – collected through increased taxation – for improvement of health services and educational systems in rural areas, the organization of rural workers, etc. None of those measures could be carried out without affecting certain interests.

66. It should also be noted that the Declaration of Principles and the Programme of Action adopted by the Tripartite World Conference attached particular importance to the effective participation of organized socio-professional groups in national development efforts. That was not surprising for a Conference which had been held under ILO auspices and in which the representatives of workers and employers had participated on an equal footing with those of Governments. Indeed, its tripartite structure had been particularly noticeable at the Conference, for the positions adopted by employers' and workers' groups on various questions had not always coincided with those of a particular Government or groups of Governments.

67. With regard to the problem of unemployment and poverty, which required a total commitment not only by the authorities but also by producers and the entire population, the ILO had demonstrated its usefulness as a

specialized agency within the United Nations system in which governmental and non-governmental representatives could express their views and take action. That process could not fail to have a beneficial effect on public affairs and promote freedom of association, the participation necessary for a co-ordinated dialogue between representatives with divergent interests, and the spirit of initiative.

68. Some of the other important conclusions reached at the Tripartite World Conference related to what was called the international division of labour. The Programme of Action called on the industrialized countries to adopt trade policies likely to increase imports of manufactures and semi-manufactures from the developing countries. However, as the competitiveness of those goods should not be achieved at the price of inequitable work standards, the Programme of Action suggested the provision of timely adjustment assistance should the expansion of such imports change the employment pattern. It also supported the transfer of capital and technology from the industrialized countries, which was considered preferable to the emigration of workers from countries with a high level of unemployment.

69. The conclusions reached concerning the improvement of the international division of labour could be regarded as extensions of certain paragraphs in the resolutions adopted by the General Assembly at its sixth and seventh special sessions. They were also related to questions dealt with by the Second General Conference of UNIDO at Lima and at the fourth session of UNCTAD at Nairobi. Those conclusions were of exceptional importance because they had been prepared on a tripartite basis for the whole world and that effort had been shared by the representatives of the workers and employers of the industrialized countries, whose interests might be directly affected by shifts in production and trade patterns.

70. On one point, however, the Tripartite World Conference had not been unanimous: it had been unable to agree on the role of transnational corporations in the creation of employment in the developing countries. Nevertheless, the divergence of views which had emerged at the Conference in that regard would not delay the programme of studies and research undertaken by the ILO, which had been entrusted with the task of preparing various provisions that might become a code of principles relating more particularly to the social aspects of the activities of transnational corporations. The ILO would pursue that task in collaboration with the Commission on Transnational Corporations.

71. As the Conference had proclaimed that development efforts should be based on the concept of basic needs and on the international solidarity which it implied, responsibility for their implementation rested not only with the ILO but with the United Nations system as a whole. At its November 1976 session, the ILO's Governing Body would examine the results of the Tripartite World Conference and agree on follow-up measures. It would no doubt express the wish that the agencies comprising the United Nations system should be encouraged to support the implementation of the Programme of Action and that the ACC should endeavour to mobilize the efforts and energy of its component agencies under the authority of the Secretary-General.

72. He was convinced that the ACC would co-operate fully with the ILO. The ILO had been successful in its efforts to associate the various agencies with the World Employment Programme, for example, with the employment missions which had visited a number of developing countries, as well as with the preparation of the report¹ that had been a basis for discussions at the Conference. In due time, the ACC had established a functional group on employment policy, and that group might be reconstituted, or an ACC sub-committee on basic needs and employment could be established. Whatever the approach adopted, the ACC's report on the response of the system to General Assembly resolution 3362 (S-VII) showed that it was unanimous in its determination to reduce, and subsequently, to eliminate mass poverty and to help to bring about greater social justice in the world.

73. He intended to submit proposals with a view to the implementation, in the context of the Joint Planning Exercise on Rural Development, of the recommendation contained in the Programme of Action concerning the use of part of IFAD to create employment in the rural sector. In taking over the work begun by the World Bank, the ACC had designated the ILO as the "Lead agency" for that exercise.

74. The Tripartite World Conference on Employment had also dealt with the question of the most appropriate technologies in support of the basic-needs strategy and the creation of employment in the developing countries. One of the practical recommendations in the Programme of Action called upon the ILO to make a significant contribution in the sphere of exchanges of information. In giving effect to the conclusions of the Conference, the ILO would collaborate closely with UNCTAD, UNIDO and other bodies in the very vital field of appropriate technology for the purpose of development.

75. The Conference had taken note of General Assembly resolution 3517 (XXX), in which the Assembly had decided to include in the provisional agenda of its next session an item on the revision of the International Development Strategy and requested the governing bodies of various programmes and agencies to recommend new goals and objectives for the remainder of the Decade. In its Declaration of Principles, the Conference had expressed its conviction that the current strategy should be supplemented by measures designed to meet the concept of the basic needs of the poorest segments of the population and had expressly requested that the measures required to meet those needs should become an essential part of the Strategy for the Second United Nations Development Decade and form the core of the Strategy for the Third Development Decade.

76. The Economic and Social Council and, in due course, the General Assembly would certainly wish to bear in mind the proposals of the Tripartite World Conference when they embarked upon the revision of the current Strategy and formulated a strategy for the third decade. He would be

¹ ILO, *Employment, growth and basic needs: A one-world problem* (Geneva, 1976).

prepared to make known the views of the ILO's Governing Body and to provide the United Nations bodies responsible for defining the objectives of the forthcoming Decade with all necessary assistance and clarification.

77. In conclusion, he said that the Conference had taken an important step towards the two ultimate goals of

development – the elimination of poverty and progress towards a free and democratic society. The Conference had proved most timely, by adding a social dimension to the important but essentially economic decisions taken at the two special sessions of the General Assembly and elsewhere.

The meeting rose at 5.55 p.m.

2016th meeting

Wednesday, 7 July 1976, at 10.15 a.m.

President: Mr. S. AKÉ (Ivory Coast)

E/SR.2016

In the absence of the President, Mr. E. Longestaey (Belgium), Vice-President, took the Chair.

AGENDA ITEM 3

General discussion of international economic and social policy, including regional and sectoral developments (continued) (E/5790 and Add.1, E/5806, E/5808, E/5823, E/5825/Rev.1, E/5827, E/5834)

1. Mr. SALLAM (Yemen) said that the Economic and Social Council had been entrusted to carry out the recommendations made in the resolutions of the General Assembly, particularly resolutions 3201 (S-VI) and 3202 (S-VI) relating to the Declaration and Programme of Action on the Establishment of a new International Economic Order, 3281 (XXIX) adopting the Charter of Economic Rights and Duties of States and 2626 (XXV) laying down the International Development Strategy for the Second United Nations Development Decade. All those recommendations had been confirmed by resolution 3362 (S-VII) of the seventh special session.

2. The Yemen Arab Republic, which was one of the least developed among the developing countries of the Arabian Peninsula, practised an open-door policy which encouraged foreign investment and guaranteed the transfer of profits. Despite those advantages, however, it was shunned by foreign investment capital. His delegation considered that the least developed countries should be granted the most favourable conditions for marketing their production, in order to be able to increase their foreign exchange earnings.

3. The Economic and Social Council's present session in Africa provided an opportunity for his delegation to pay a tribute to the struggle of the African people – and in particular, the people of Ivory Coast – against colonialism and to refer to the plight of the Palestinian people who were victims of the racist policy of Israel, which could be compared only to that of the South African régime. The Council should take a historic initiative, at the economic, social, cultural and humanitarian levels, on behalf of those who were subjected to the colonial yoke and racial discrimination in Africa and in Palestine and refer specifically in its declaration and its recommendations to the

elimination of foreign aggression, occupation and domination, racial discrimination and *apartheid*; it should also reaffirm the right of peoples to regain effective control of their natural resources and to full compensation for the exploitation of those resources.

4. The representatives of the developed countries had said that it was urgently necessary to stabilize commodity markets, to increase the export earnings of the developing countries and to foster economic co-operation among those countries. The fact was, however, that even if the developing countries mobilized all their resources, they would not be able to achieve the targets they had set themselves without the assistance of the developed countries. It was therefore essential that a dialogue should take place between the developed and the developing countries in an atmosphere of goodwill, sincerity and sense of responsibility. Yemen, for its part, would support all initiatives designed to strengthen the unity and solidarity of the developing countries and co-operation among them.

5. Mr. PRASASVINITCHAI (Thailand) expressed his delegation's satisfaction that the session of the Council was taking place at Abidjan. Until all forms of oppression and exploitation of man had been eliminated, the fundamental purposes of the United Nations, namely the maintenance of international peace and security and the achievement of international co-operation in solving international economic and social problems, could not be fully realized.

6. As the President of Ivory Coast had said in his address (2006th meeting), political independence was only a stepping stone on the road to economic and social independence. That was true of the developing world as a whole, but particularly of the African continent, which numbered more developing countries than any other continent and whose situation was further aggravated by frequent natural disasters, such as drought, which impeded development. In that connexion, it was encouraging to note that the United Nations Conference on Desertification would be held in 1977.

7. Co-operation among the developing countries, which was being more and more widely accepted, was an important instrument of international co-operation. It