

Draft resolution II: Work of the Committee of Experts on the Transport of Dangerous Goods

Draft resolution II was adopted.

Draft resolution III: Transport of dangerous goods

Draft resolution III was adopted.

AGENDA ITEM 9

Mid-term review and appraisal of progress in implementing the International Development Strategy for the Second United Nations Development Decade: Programme of Action on the Establishment of a New International Economic Order

REPORT OF THE ECONOMIC COMMITTEE (E/5738)

27. The PRESIDENT drew the Council's attention to the two draft resolutions and two draft decisions in paragraph 12 of the report before it (E/5738), which had been approved by the Committee without vote. In the absence of

any objection, he would take it that the Council wished to do the same.

Draft resolution I: Identification of the least developed among the developing countries

Draft resolution I was adopted.

Draft resolution II: Public administration and finance for development

Draft resolution II was adopted.

Draft decision I: Mid-term review and appraisal of progress in implementing the International Development Strategy for the Second United Nations Development Decade

Draft decision I was adopted.

Draft decision II: Report of the Board of Governors of the United Nations Special Fund

Draft decision II was adopted.

The meeting rose at 4 p.m.

1979th meeting

Thursday, 31 July 1975, at 10.55 a.m.

President: Mr. I. A. AKHUND (Pakistan)

E/SR.1979

AGENDA ITEM 19

Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples by the specialized agencies and the international institutions associated with the United Nations

REPORT OF THE POLICY AND PROGRAMME CO-ORDINATION COMMITTEE (E/5743)

1. The PRESIDENT invited the Council to consider the report of the Policy and Programme Co-ordination Committee on agenda item 19 (E/5743) and drew attention to the draft resolution on the subject of the item contained in paragraph 6, which the Committee had adopted without a vote. He asked whether it was the wish of the Council also to adopt the draft resolution without a vote.

It was so decided.

AGENDA ITEM 22

Calendar of conferences

REPORT OF THE POLICY AND PROGRAMME CO-ORDINATION COMMITTEE (E/5742; E/L.1664 AND ADD.1-6)

2. The PRESIDENT invited the Council to consider the report of the Policy and Programme Co-ordination Committee on agenda item 22 (E/5742).

3. Mr. FERGUSON (United States of America) pointed out that provision was made in the note by the Secretariat (E/L.1664) for the Working Group on Communications, a subordinate body of the Sub-Commission on the Prevention of Discrimination and Protection of Minorities, to meet both in 1976 and in 1977. His delegation would have no objection to that arrangement provided that it was understood to be without prejudice to the biennial cycle of meetings for the Working Group established by Council resolution 1768 (LIV).

4. The PRESIDENT asked whether he might take it that the Council, on the understanding stated by the United States representative, agreed to the inclusion in the calendar of meetings for 1977 of an entry for the meeting of the Working Group on Communications from 8 to 19 August, as proposed by the Secretariat in document E/L.1664.

It was so decided.

5. The PRESIDENT drew attention to the draft resolution and the three draft decisions recommended for adoption by the Council in paragraph 14 of the Committee's report. All four had been adopted by the Committee without a vote. He took it that it was the Council's wish also to adopt them without a vote.

Draft resolution: Preparatory work for the United Nations Water Conference

The draft resolution was adopted.

Draft decision I: Cycle of sessions of the Commission on Narcotic Drugs

Draft decision I was adopted.

Draft decision II: Calendar of conferences and meetings

Draft decision II was adopted.

Draft decision III: Third session of the Preparatory Committee for the special session of the General Assembly devoted to development and international economic co-operation, and meetings of Working Group II of the Committee for Development Planning, and of the Working Group on Oceanography and Data Exchange of the Intergovernmental Oceanographic Commission

Draft decision III was adopted.

AGENDA ITEM 10

Special session of the General Assembly devoted to development and international economic co-operation

REPORT OF THE ECONOMIC COMMITTEE (E/5739)

6. The PRESIDENT invited the Council to consider the report of the Economic Committee on agenda item 10 (E/5739) and drew attention to paragraph 10 which contained a draft resolution on the subject of the item and a draft decision setting out the draft provisional agenda and annotations for the third session of the Preparatory Committee for the seventh special session of the General Assembly. Both had been adopted by the Committee without a vote.

7. He asked whether the Council also wished to adopt the draft resolution and draft decision without a vote.

It was so decided.

8. The PRESIDENT said it was his understanding that the Council wished the proposals which had been submitted in informal talks on preparations for the seventh special session to be circulated by the Secretariat as a document of the Preparatory Committee in the limited distribution series.

It was so decided.

Programme budget implications of actions taken by the Council at its fifty-eighth and fifty-ninth sessions (E/5745; E/L.1675)

9. The PRESIDENT invited the Council to consider the summaries of programme budget implications contained in the report of the Secretary-General (E/5745) and document E/L.1675.

10. Mr. LOBANOV (Union of Soviet Socialist Republics) said that his delegation wished to reserve its position on the budget implications of resolutions and decisions adopted by the Council of its fifty-eighth and fifty-ninth sessions until they were considered by the Fifth Committee of the General Assembly. It requested that its reservation should be recorded in the Council's report.

11. The PRESIDENT said that he took it that it was the Council's wish to take note of the Secretary-General's report (E/5745) and the summary statement (E/L.1675).

It was so decided.

Adjournment of the session

12. The PRESIDENT noted that one of the Council's main tasks at the current session had been to prepare the ground for the forthcoming seventh special session of the General Assembly, which would be devoted to questions of development and international economic co-operation. The Council had, indeed, just adopted resolution 1980 (LIX), proposing an agenda for the session, establishing some guidelines for the substance of its work and asking the Preparatory Committee to complete arrangements. It was, however, regrettable that the Council would conclude its session without agreeing upon specific recommendations on matters for consideration by the special session or defining more precisely the points on which there was agreement among States and those on which they differed. Given the complexity of the issues involved, the diversity of interests to be reconciled and the slow pace at which the governmental machinery of various States and groups of States appeared to move, that was perhaps inevitable.

13. Although the session might end with a sense of opportunities not fully used, it remained true that the economic and social problems of the world were now permanently on the agenda of international bodies and that the importance of finding solutions to them by consultation and consensus had been confirmed during the present session. The value of dialogue and consensus, so regularly emphasized in international debates, should not be underestimated, but it would be a mistake to shirk the airing of genuine differences or the affirmation of firmly held beliefs for fear of provoking confrontation. Genuine agreement could scarcely be reached without frank discussion and a clash of ideas. The spirit of accommodation must not become a substitute for negotiation on specific issues or obscure the need to devise a new set of rules to reconcile conflicting national and group economic interests, in order to ensure that resources and amenities were more equitably shared. That was no simple task and efforts to discharge it must continue during the preparatory period for the special session, during it and thereafter in the appropriate forums.

14. The task was made easier by the tacit agreement not to persist in arguments already settled by events. Although the statements made at the present session reflected continuing differences about the nature of the current crisis and the remedies that should be adopted, they also indicated a gradual convergence of belief that things could not be put right without major changes. The United Kingdom delegation had said that the developed countries had accepted a fundamental alteration in the world economic situation as a moral imperative (1960th meeting). A general recognition of the need for change was accompanied by a realization that it would have to be brought about in an orderly, step-by-step manner and with the co-operation of all concerned.

15. Under the general item on economic development and co-operation, the special session would pay particular attention to countries handicapped by their geographical position and those suffering most acutely from the ill effects of the recent economic crises. The general debate had recognized the need to strengthen the position of the developing countries as partners in world trade and to widen their access to the world market by reducing or eliminating tariff and non-tariff barriers, and by further developing a general non-reciprocal system of preferences. The principle had also been accepted that the purchasing power of developing countries' exports should be increased and protected. Although there were differences on how that objective could be attained, it was generally accepted that commodity prices should be remunerative to producers and fair to consumers, and that trade in commodities should ensure both security of earnings for the producer and security of supply for the consumer. The practical application of those principles would not be easy, but it might well confirm the belief that there was no fundamental contradiction between an integrated and a commodity-by-commodity approach.

16. There had been a wide measure of agreement that the transfer of real resources to the developing countries needed to be increased. The failure of most donor countries to meet the targets of the International Development Strategy showed that the whole subject needed to be reviewed. The idea that there should be some automatic machinery to effect such transfers raised a number of questions, which must be carefully examined. The objective should be to devise a system which would enable recipients to know what they were to receive in terms of net real resources over a period of years, so that they could make their development plans accordingly, and which would also enable donor countries to satisfy themselves that the resources were being used efficiently and for the avowed ends, thus eliminating the necessity to justify transfers on non-economic grounds. Agreement would have to be reached on giving priority to that question and to the related question of a system for affording debt relief, in other words, making debt servicing a rational proposition.

17. Everyone agreed that industrialization was the motive force for transforming the economic and social condition of developing countries, but the targets and objectives agreed upon at the Second General Conference of UNIDO at Lima, and wholeheartedly endorsed in the Council's discussions, must, in the course of the proposed consultations among the developing and developed countries, be put in the frame of a programme and timetable. UNIDO was the most appropriate forum for that purpose, but the task of establishing links between industrial and agricultural production, between technology and employment policies, and between international effort and transnational enterprise was one for the Council, which must be made capable of performing it.

18. That led to the question of reforming the economic and social institutions of the United Nations system. The criticism had once more been voiced that the Council's proceedings were pointless and its decisions irrelevant. On the other hand, proposals for reform -- the latest being those made unanimously by a group of experts from all

regions and representing diverse interests and ideologies (E/AC.62/9) -- had been noted only in the most general terms. The suggestion that an intergovernmental committee should be established to examine the proposals was a sound one, but he would suggest that the special session of the General Assembly might also establish guidelines and a timetable for the committee's work.

19. It would be optimistic to say that the present session of the Council had established enough common ground for the seventh special session of the General Assembly to lay the foundations for a new structure of international economic relations. On the substance and details of major issues the positions of various countries, including many of the most important developed countries, remained to be defined. But a considerable effort had been made in informal meetings to discuss proposals related to the agreed list of topics. He wished to express his deep appreciation to the members of all groups participating in those meetings, and to their presiding officers, in particular, for the personal contributions made by Mr. Barceló (Mexico) and Mr. Martínez (Argentina).

20. In view of the value of informal consultations and the likelihood of their increasing use in the future, it was necessary to make sure that they kept their informal character and that their procedures did not become an obstacle to their purpose. Some of the ideas and proposals resulting from those consultations had been formulated in documents, which he was sure would help in the resumed preparations for the special session. While it was too soon to predict what form the decisions of the special session might take, he drew attention to the Netherlands representative's suggestion (1962nd meeting) that the Council might adopt an omnibus document setting out a consistent set of inter-related recommendations for consideration and adoption by the special session. In his opinion, such a document should not be simply a declaration of intent but, as far as possible, a blueprint for action, setting forth, without ambiguity, what the international community agreed to do regarding specific problems and how, where and when it proposed to set about doing it.

21. No spectacular results should be expected from the seventh special session, since the subjects to be dealt with would preclude such an outcome. Nevertheless, it was reasonable to expect agreement on principles and purposes and a clear indication of the intention to negotiate for the achievement of agreed ends. Everyone realized that the special session would be only one step in the process of building a new system of international relations: but it had all the importance of a first step.

22. The United Nations had been criticized because its Membership did not show proper respect for the Organization's rules and regulations or consideration for each other's views and interests and because they failed to draw a distinction between economic and political issues. That situation, it had been said, could jeopardize the very existence of the United Nations. In his opinion, the success or failure of the United Nations and its survival or demise depended on whether or not it succeeded in bringing about a peaceful settlement where there was war or the threat of war, in enforcing justice and protecting human dignity

where they were systematically denied and in removing the vast and ever-widening economic disparities between countries. The problems of fateful importance for the future of mankind were the situation in the Middle East, racial discrimination and minority rule in Africa and grinding poverty in many parts of the world. Unless those problems were faced and solved, the most faithful observance of the rules and regulations and the most devout adherence to the principles of the United Nations Charter would not save the United Nations from irrelevance and atrophy.

23. The problem was basically political, in that conscious decisions had to be made to redirect economic activity so that the legitimate aims and interests of all countries could be achieved and protected. The economic and social development of the developing countries was too vast an enterprise to be considered merely as a by-product of the growing prosperity of the industrialized countries. Matters could no longer be left to the supposedly benign workings of a system alleged to be based on neutral economic laws. It was unhelpful to argue as if there were a hard and fast choice between mutually exclusive economic systems – one based on the free market and the other on planning and regulation.

24. The problem was not an abstract one, but a critical situation which was likely to become more difficult for all countries in the coming months. The *World Economic Survey, 1974* (E/5665, E/5681 and Add.1-4) showed a sombre outlook for the coming year: the GDP of the developed market-economies and the rate of expansion of their GNP were likely to be lower in 1975 than in 1974 and unemployment and inflation would remain high. Those estimates tempered the optimism voiced in recent months regarding an improvement in the developed countries' economies. Moreover, the inflation, unemployment and depression in the developed countries had immediate consequences for the economies of the developing countries, weakening the market for their exports, raising the prices of the manufactured goods and services which they imported and causing a further deterioration in their terms of trade: it was estimated that the prices of most primary commodities, on which the majority of developing countries subsisted, would decline in 1975 in relation to the prices of imported manufactured goods, so that the burden of debt service would continue to grow and the process of reserve accumulation would be reversed. Most developing countries would thus find it harder than ever to carry out the relatively modest programmes of economic development and social reform set out in the International Development Strategy and in their own development plans. Whether or not the developed countries' economies improved, the situation of the developing countries would be worse. As the Executive Secretary of ECE had pointed out (1966th meeting), the western European countries, with a population of 700 million and a GNP of \$2 million million, and the non-oil-producing developing countries, with a population of 1,700 million and a GNP of \$300,000 million, had each had the same trade deficit of about \$30,000 million in 1974. Those figures showed how unevenly the burden of the economic crisis had fallen on the two groups of countries. Clearly, the machine was out

of joint and needed not only major repairs but considerable redesigning.

25. In the past, only a privileged minority of people had been able to take necessities for granted and enjoy the good things of life. To-day there was a privileged minority of nations. The world was facing a crisis of growth: it was inconceivable that vast numbers of people should continue for ever passively enduring privation and suffering and it was inconceivable that, with the ever-expanding resources of technology, man would not be able to meet the challenge. With every advance in knowledge and technology, the interdependence of peoples and nations was growing closer and more inescapable. The refusal of people to accept their condition, and their demand for a place in the sun, could be the stimulus that would lead to a positive interdependence based on complementarity. As the United States representative had rightly said (1956th meeting), crisis offered opportunity. The task now was to seize the opportunity in order to give direction and purpose to events and not let events take the lead.

26. Mr. KEGEL (German Democratic Republic), speaking on behalf of the socialist countries of eastern Europe, expressed satisfaction at the successful conclusion of the session, to which the socialist countries had made their contribution in a spirit of co-operation and understanding. The Council had, firstly, been working against the background of the Conference on Security and Co-operation in Europe, which would help to relax international tension and encourage co-operation between countries and peoples. Secondly, it had been dominated by the preparation for the seventh special session of the General Assembly, on which substantial progress had been made and further efforts should continue. The decisions taken by the Council would help with the implementation of the Declaration and Programme of Action on the Establishment of a New International Economic Order, adopted at the sixth special session of the General Assembly and of the Charter of Economic Rights and Duties of States. The session had shown that with good will and determination to face the facts, with a long-term relaxation of international tension, it would be possible to get down to solving the real problems of international co-operation.

27. Mr. SCHWARTZ-GIRÓN (Spain), speaking on behalf of the western European countries, said that by the time the Council met at its resumed session important decisions would have been taken, affecting man's legitimate struggle for development and wealth. The present session had been one of work rather than words and had been marked by the preparations for the seventh special session of the General Assembly.

28. Mr. MARTÍNEZ (Argentina), speaking on behalf of the Group of 77, said that the developing countries hoped that the seventh special session of the General Assembly would concentrate on arriving at substantial agreement and clear guidelines on a limited number of areas where success might be achieved in establishing the new international economic order. The members of the Group of 77 had spent many days in informal consultations and in discussions with the market-economy and socialist countries. They could not really express satisfaction with the results,

but they hoped that by intensive work, it would be possible to reach understanding and so ensure the success of the seventh special session, thus putting a stop to the sterile confrontation which impeded international solidarity in a world of increasing interdependence.

29. After an exchange of courtesies, the PRESIDENT declared the fifty-ninth session of the Economic and Social Council adjourned.

The meeting rose at 12 noon.