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GENERAL ASSEMBLY Fortieth session Items 41 and 84 of the preliminary list* LAUNCHING OF GLOBAL NEGOTIATIONS ON INTERNATIONAL ECONOMIC CO-OPERATION FOR DEVELOPMENT DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION ECONOMIC AND SOCIAL COUNCIL Second regular session of 1985 Item 3 of the provisional agenda** GENERAL DISCUSSION OF INTERNATIONAL ECONOMIC AND SOCIAL POLICY, INCLUDING REGIONAL AND SECTORAL DEVELOPMENTS

Letter dated 17 May 1985 from the Permanent Representative of Czechoslovakia to the United Nations addressed to the Secretary-General

I have the honour to transmit to you herewith the text of the joint statement of the delegations of the Byelorussian Soviet Socialist Republic, the Czechoslovak Socialist Republic, the German Democratic Republic, the Hungarian People's Republic, the Mongolian People's Republic, the People's Republic of Bulgaria, the Polish People's Republic, the Ukrainian Soviet Socialist Republic and the Union of Soviet Socialist Republics to the Committee on the Review and Appraisal of the Implementation of the International Development Strategy for the Third United Nations Development Decade at its resumed session.

I would be grateful if you could have the text of the joint statement circulated as an official document of the General Assembly, under items 41 and 84 of the preliminary list, and of the Economic and Social Council under item 3 of the provisional agenda for the second regular session of 1985, and brought to the attention of the Committee on the Review and Appraisal of the Implementation of the International Development Strategy for the Third United Nations Development Decade.

> (<u>Signed</u>) Jaroslav CESAR Ambassador Permanent Representative

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* A/40/50/Rev.1.

** See Economic and Social Council decision 1985/101.

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ANNEX

Joint statement of the delegations of the Byelorussian Soviet Socialist Republic, the Czechoslovak Socialist Republic, the German Democratic Republic, the Hungarian People's Republic, the Mongolian People's Republic, the People's Republic of Bulgaria, the Polish People's Republic, the Ukrainian Soviet Socialist Republic and the Union of Soviet Socialist Republics to the Committee on the Review and Appraisal of the Implementation of the International Development Strategy for the Third United Nations Development Decade at its resumed session

The position of the above-mentioned socialist countries on the whole range of 1. questions connected with the attainment of the aims and goals of the International Development Strategy was set out in detail in their joint statements to sessions of the United Nations General Assembly dated 2 September 1980 (A/S-11/AC.1/4) and 5 December 1980 in connection with the formulation and adoption of the Strategy and to sessions of the Committee on the Review and Appraisal of the Implementation of the International Development Strategy dated 10 May 1984 (A/39/228) and 18 September 1984. In these statements, the socialist countries quite clearly expressed their support for the progressive provisions of the International Development Strategy. At the same time, they pinpointed the basic conditions which must be fulfilled if the aims of the Strategy are to be achieved. The period which has elapsed since the most recent session of the Committee on the Review and Appraisal of the Implementation of the International Development Strategy has brought further quite conclusive proof that the lack of progress in achieving the aims of the Strategy is linked very directly with the overall deterioration of the international situation.

2. The declaration entitled "Maintenance of peace and international economic co-operation" adopted in Moscow at the high-level Economic Conference of the member countries of the Council for Mutual Economic Assistance (CMEA) on 14 June 1984 emphasized that the political and economic situation in the world, as never before, involves the interests of all countries and peoples. In this connection, the socialist countries express their concern that there has been a serious growth of international tension as a result of the policy of confrontation pursued by the aggressive forces of imperialism, especially that of the United States, and of their attempts to achieve military supremacy, including through the militarization of outer space, and to follow a policy of force, infringement of the national independence and sovereignty of States and strengthening and reapportionment of "spheres of influence".

The reliance on force, the escalation of the arms race and the subordination of economic relations to an aggressive policy hamper the solution of the deep-rooted problems of world economic development and make it more difficult to overcome the economic crisis in the capitalist world, which is aggravated by energy, raw material, food and currency crises. The instability of world trade markets is increasing, the protectionist wave is growing, and international currency and financial relations are being upset.

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United States economic expansion is becoming broader and more active. The manipulation of discount rates, the predatory role of the transnational corporations, the political restrictions on trade, and all kinds of boycotts and sanctions are creating a situation of tension and mistrust in international economic relations, disrupting the world economy and trade and undermining its legal foundations. By monopolizing a growing amount of financial and material resources of other countries, the United States is directly or indirectly placing them in the service of its gigantic military programme.

3. The actions of the United States are aggravating the instability of the economic situation in the capitalist world. Social contradictions in the capitalist countries have become much more marked. The economies of most of those countries remain in a state of stagnation. There is a growing threat of further erosion of the workers' social achievements. Signs that another American economic recession is imminent are creating additional instability in the world capitalist economic system, fraught with new unpredictable twists in the so-called "free play" of market forces.

The overwhelming majority of developing countries are in a particularly difficult position. Using every means of political and economic pressure, the imperialist States are transferring the burden of the economic crisis on to the shoulders of the peoples of those countries; they are continuing to expand the neo-colonialist exploitation of those peoples and are seeking to create conditions conducive to the penetration of foreign capital into their economies, especially that of transnational corporations. As a result, there is an increasing disparity between the levels of their economic development and those of the developed capitalist States and there is growing poverty and hunger among hundreds of millions of people.

In these circumstances, there are also fewer possibilities for solving such crucial problems of mankind as maintenance of the food supply of the world's rising generation, rational use of energy and raw materials, the harnessing of new sources of energy, the exploration of outer space and of the seas and oceans and the preservation of the environment.

4. The escalation of the arms race caused by imperialist circles is one of the main reasons for the growing political and economic instability in the world. It increases the danger of nuclear war, threatening the very existence of mankind and placing an ever-increasing burden on the peoples of the world by swallowing up vast material and financial resources and slowing down economic and social progress.

The socialist countries consider that there is a pressing need for real measures to curb the arms race and achieve disarmament. This would create more favourable conditions for an improvement of the entire world economic situation and would make it possible to release resources as a result of the reduction of military spending and to use them for economic and social development, including assistance to developing countries.

If the countless specific proposals of the socialist community for a reduction in military spending and the other peace initiatives of the socialist countries were met with understanding and put into practice, then we would now be able to

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witness their beneficial influence on the general political and economic situation in the world, including their effect on the economic situation of the developing countries and on the implementation of the International Development Strategy.

Because of the complex mutual relationship between contemporary international 5. economic problems, there is a need for mutually beneficial and equitable co-operation among all countries. This need was acknowledged by the international community in such fundamental United Nations instruments dealing with the restructuring of international economic relations as the Charter of Economic Rights and Duties of States and the Declaration and Programme of Action for the Establishment of a New International Economic Order. However, the ten years that have elapsed since their adoption demonstrate that the leading imperialist States do not even want to recognize the embodiment in these instruments of the progressive principles of inter-State relations. Indeed, in practice imperialism is violating these principles every day, by stepping up the neo-colonialist exploitation of the developing countries and increasing pressure on them in an attempt to compel them to relinquish national plans for independent development and to impose on them a policy favourable to the West of encouraging "free enterprise" and private foreign investments.

The obstruction by the Western countries in 1984 of the work of the Committee on the Review and Appraisal of the Implementation of the International Development Strategy was a direct reflection of such pressure and confirmed the West's unchanging policy of maintaining the present inequitable international economic order and its persistent disregard for the developing States' just demands.

6. Rejecting and condemning the policy of illegal economic pressure, the socialist countries call on the international community to take urgent and effective measures to improve international economic relations, to guarantee the economic security of all countries and to build confidence in this vital area of inter-State relations. All forms of economic aggression, such as the use or threat of the use of embargoes or boycotts, or of trade, credit and technological blockades, must be banished from international practice. The use of economic relations as an instrument of political pressure must be regarded as a gross violation of the generally accepted norms of international law and the principles of the United Nations Charter.

7. The socialist countries favour the regulation of currency and financial relations and oppose the policy of high interest rates. They favour normalization of conditions under which credits are granted and paid back so that those conditions, particularly as they relate to the indebtedness of developing countries, should not be used as means of political pressure and interference in internal affairs.

A major contribution to the achievement of the goals of the International Development Strategy could be made by effective decisions and courses of action designed to exclude all exploitation from international economic relations, to ensure unhindered international scientific and technical co-operation, to eliminate discrimination, artificial obstacles and unequal exchange from commercial relations, to establish just, economically sound relationships in the prices of raw materials, foodstuffs and manufactured goods, and for that purpose to exercise greater control over the activities of transnational monopolies.

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8. The elimination of underdevelopment, the gradual narrowing of the gap in levels of economic development and the guaranteeing of conditions permitting the harmonious growth of international ties in the areas of economics, science and technology are among the basic prerequisites for economic stability and normalization of the international political climate.

International economic relations must be restructured so that all countries may fully achieve their economic potential and develop in a climate of peace, justice and mutual co-operation.

In this connection, the socialist countries support the progressive demands of the developing States in their struggle for economic decolonization, full sovereignty over their natural and other resources and over their economic affairs, broad and equal participation in the solution of international economic problems, prevention of the outflow of capital and skilled personnel, and unconditional application of the general system of preferences, in view of the need to reverse the economic decline of the developing countries and to promote their progress.

Those principally responsible for the difficulties being experienced by the developing countries - the imperialist States and their transnational monopolies - must substantially expand the transfer of resources to compensate for the damage caused by colonial plundering and neo-colonial exploitation, reduce the burden of indebtedness of the developing States and facilitate their access to international credit on favourable terms.

9. The successful achievement of the goals of the Strategy by the developing countries also depends on how consistently they carry out progressive socio-economic transformations, strengthen the State sector and national sovereignty over natural resources, and decisively oppose attempts to force on them, against the wishes of their peoples, development models reflecting the interests of the foreign monopolies. Much depends too on how the developing countries mobilize their domestic resources and step up their own efforts to establish and consolidate independent national economies.

10. For their part, the socialist countries will continue, as before, to provide broad assistance to developing countries that are making efforts to implement these measures, which will lead eventually to the achievement of economic decolonization. With economic and technical assistance from the socialist countries, by the beginning of 1983 over 5,000 industrial enterprises and other facilities, about 3,700 of which have already been put into operation, had been constructed, were being constructed or were to be constructed in developing countries in Asia, Africa and Latin America. Those enterprises are forming the nucleus of the national industry; the State sector is being formed from them and being strengthened in decisive branches of the developing countries' economies.

Trade between CMEA member countries and developing States is being successfully developed and has increased in volume by a factor of more than 30 during the period between 1950 and the present time. In the period from 1979 to 1983 alone, trade between these groups of countries increased by approximately 80 per cent.

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The socialist countries are providing a great deal of help in the training of national cadres in the developing countries - one of the important goals of the International Development Strategy. The training of specialists from the newly liberated States is usually co-ordinated with the economic and technical assistance provided to those countries by the CMEA member countries in the construction of industrial enterprises and other facilities. Since the end of the 1950s, more than 1.2 million citizens of developing countries have acquired specialized skills or improved their existing skills. During this period, more than 86,000 specialists from developing countries. In 1983, more than 83,000 students, graduates and trainees from 121 developing countries studied at such establishments.

The socialist States attach special importance to assistance to the least developed countries: work was started on the construction of over 600 facilities as part of co-operation with such countries. The special situation of Africa is also taken into account: almost 40 per cent of the total volume of economic assistance goes to that region.

The provision of assistance to developing countries and the development of multilateral co-operation with them assume forms which reflect the socio-economic structure of the socialist States and the underlying principles of their external economic relations, which are based on equality of rights, non-discrimination, mutual advantage, co-operation between all States irrespective of their economic and social systems, non-interference in internal affairs and respect for sovereignty.

11. The socialist countries are convinced that the prospects for the Third United Nations Development Decade depend to a crucial extent on how consistently and firmly the international community works to overcome the real obstacles in the way of implementing the principles of the fundamental United Nations instruments in the field of international economic relations. This will be the approach adopted by the delegations of the socialist countries during the future work of the Committee on the Review and Appraisal of the Implementation of the International Development Strategy for the Third United Nations Development Decade.