



UNITED NATIONS
GENERAL
ASSEMBLY



Distr.
GENERAL

A/9445
11 December 1973

ORIGINAL: ENGLISH

Twenty-eighth session
Agenda item 46

REVIEW AND APPRAISAL OF THE OBJECTIVES AND POLICIES OF THE
INTERNATIONAL DEVELOPMENT STRATEGY FOR THE SECOND UNITED
NATIONS DEVELOPMENT DECADE

Letter dated 11 December 1973 from the Permanent Representative of Brazil
to the United Nations addressed to the Secretary-General

I should be grateful if you would have the enclosed statement of position of the Brazilian delegation on the first review and appraisal of the objectives and policies of the International Development Strategy for the Second United Nations Development Decade circulated as an official document of the twenty-eighth session of the General Assembly in connexion with the agenda item 46.

(Signed) Sergio Armando FRAZAO
Permanent Representative of Brazil
to the United Nations

ANNEX

The Brazilian delegation would like to make the following statement on the contents of document A/C.2/L.1329 concerning the first biennial over-all review and appraisal of progress in the implementation of the International Development Strategy for the Second United Nations Development Decade:

1. On more than one occasion the Brazilian delegation has stressed that the International Development Strategy adopted in 1970 fails to encompass in a true sense a strategy with a built-in mechanism of self-supportive gradualistic targets. We regret to have to say now that the first exercise of over-all review and appraisal of progress during the first two years of the Decade failed in a large measure as an "appraisal" and certainly did not fulfil its purposes as a "review". The document forwarded to the Second Committee by the Working Party (A/C.2/L.1329) did not really analyse or explore the true causes of the generalized failures in the achievement of the goals and objectives of the Strategy during the first two years of the Decade. In our opinion, the document does not convey a clear picture of what has really happened. Remedial measures by developed countries did not really come to light or were only dimly suggested, while the developing countries themselves were presented with a catalogue of real or imaginary deficiencies as if to suggest that they are responsible for their own difficulties. A blurred picture thus emerges from the document as a whole.

2. The document which is supposed to embody the first review and appraisal of progress in the implementation of the International Development Strategy is also defective within its own narrow approach. Just to give a few examples it should be mentioned that:

(i) The document finds consolation in the fact that the annual rate of economic growth of developing countries during the first two years of the Second Development Decade approximated the average of the 1960s; but here it neglects the fact that this actually represents a decline from the level reached in the closing years of the previous decade. There was no reason to consider the late sixties as "abnormal" and to project the expectations for the seventies on the basis of the average performance in the 1960s.

(ii) A "selective" utilization of statistics gives a wrong impression of progress. A case in point would be the percentage change in the value of exports and imports in 1971 and in 1972. The Strategy has rightly specified the trade targets in real terms so as to avoid deceptive conclusions from price changes and currency realignments. What, then, is the significance of value figures in the present context? Another example, equally valid in our view, can be found in the statistical data relating to the shipping tonnage owned by the developing countries. In order to avoid a grave distortion of present reality it would have been necessary to add the comparative data pertaining to the tonnage owned by developed countries, because it is this factor that explains why the share of developing countries in world shipping tonnage declined.

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(iii) While the document is useful in describing measures and policies that should have been adopted by developing countries, practically nothing is advanced as corrective additional measures that developed countries should adopt. The exercise of review and appraisal was conceived with the idea of defining the remedial measures that actual conditions of implementation of the Strategy would have proved necessary. Instead of providing a progressive approach to international co-operation for development, this first review and appraisal seems to convey the idea that the General Assembly could do no more than simply register whatever results might have been achieved in technical or specific negotiating fora.

(iv) Even within the limited approach referred to in (iii) above, one could well argue that in a number of cases a set-back has occurred. A case in point is, for instance, the paragraph that implicitly suggests that Official Development Assistance targets are "ambiguous", thereby justifying a priori the lack of implementation in full by developed countries of the relevant paragraphs of the Strategy. The same could be said of the statement, from which the Brazilian delegation formally dissociates itself, that, in the absence of an agreement, exporting developing countries can determine pricing policies for commodities only in the light of "prevailing market conditions". In our view the reference to the fact that such pricing policies should be remunerative to producers while equitable to both producers and consumers already provided a reasonable basis of equilibrium.

(v) Other instances of conceptual set-backs that permeate a document that was supposed to represent a move forward in the quest for a more perfect and ambitious international co-operation for development can be found in the presentation of adjustment assistance as a quasi-social supportive measure for industries, firms and workers of developed countries which are "threatened to be adversely affected by increased imports". Adjustment assistance was not devised as a supportive measure for obsolete industries in developed countries but, quite to the contrary, as an instrument of structural change. Equally disturbing is the fact that the wording used in respect to escape clause action somehow gives it a certain validity. The elimination of the call for the removal of such clauses is not reassuring either.

(vi) The general toning-down in the language employed reduced the impact of this first review and appraisal as an instrument for stimulating public support for the Strategy. Platitudes are not usually the best way to convey messages to impress public opinion. To state, for instance, that the sharp increases in freight rates in 1971 "were not welcome to shippers of any country" would not appear to be the proper way to reveal the true facts: i.e., the monopolistic practices of liner conferences have been detrimental to the trade prospects of developing countries. The same could be said of the magnanimous characterization of the International Cocoa Agreement as a major achievement - an agreement which proved only how long it takes to arrive at an unsatisfactory result. And what is more: by saying merely that developing countries "generally remain highly sensitive", the truth has been disguised or, worse, implicitly a suggestion has been made that not every developing country is sensitive to such conditions. The

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implication of this would be to question the very validity of the Strategy. The number of examples proliferate. Why adopt that bland phraseology and why subscribe, without adequate statistics, to such extraordinary statements as the one which indicates that the transfer of financial resources from a certain group of countries to the developing countries "increased substantially during the first two years of the Second Development Decade, although the amount actually disbursed on a year-to-year basis is not known"? In view of the second part of the statement just quoted, how can the first part be substantiated?

(vii) With reference to the provisions of the document of the Working Party relating to the reform of the monetary system, it would be appropriate to state, without ambiguity, that the link between the Special Drawing Rights and additional development assistance constitutes an objective in itself which requires an urgent political decision. Moreover, in our view, the creation of additional Special Drawing Rights must take into account, over and above the global liquidity requirements, the pressing liquidity needs of developing countries.

(viii) Also disappointing is the fact that, although there is already ample evidence that developed countries could allocate part of their own research and development efforts to matters of interest to developing countries, and would even benefit from it, the document before the Committee does not define, as stipulated in the Strategy, a quantitative target for such assistance.

3. The list above is intended to merely exemplify our point. The shortcomings referred to are of such nature that the Brazilian delegation, after examining the document as whole, feels obliged to express, much to its regret, a keen sense of dissatisfaction.
