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Chairman: Mr. Richard M. AKWEI (Ghana).

AGENDA ITEM 35

United Nations Industrial Development Organization: report of the Industrial Development Board (continued)* (A/7203, chap. IX; A/7215, A/7271, A/C.2/L.1009/Rev.1, A/C.2/L.1013, A/C.2/L.1016)

1. Mr. LYNCH (New Zealand) said that he would explain his vote before the revised draft resolution (A/C.2/L.1009/Rev.1) was put to the vote. His delegation, which had repeatedly reaffirmed its support of the United Nations Industrial Development Organization (UNIDO), had been quite prepared to endorse a draft resolution whose purpose was to invite Governments to provide additional support to UNIDO through voluntary contributions, in accordance with General Assembly resolution 2152 (XXI) and to entrust UNIDO with a larger number of projects related to industrial development under the Technical Assistance and Special Fund components of the United Nations Development Programme (UNDP). Nevertheless, it had serious reservations with regard to operative paragraph 5 of the revised draft resolution under consideration. His delegation found it extremely difficult to support a proposal which would raise the level of expenditure on a work programme of uncertain content. Requests for funds should be geared to

specific needs and it was quite illogical to seek resources before examining needs. Furthermore, while the Committee was perfectly competent to take up economic matters, he doubted whether its terms of reference empowered it to take decisions with regard to the appropriation and management of funds also deployed in other fields, for, in the case in point, its decision would affect the whole regular programme of technical assistance.

2. That programme should, moreover, be kept as flexible as possible so that it could cope with priority requirements as and when they arose. It should be managed as a single entity; it would be a mistake to attempt a rigid distribution of its funds among its various components.

3. His delegation's attitude to operative paragraph 5 was without prejudice to its position regarding the grand total of the regular programme of technical assistance and was dictated rather by its concern that the most rational possible procedures should be followed. However that might be, his delegation would be obliged to abstain on the text unless it was amended.

4. Mr. GOLDSCHMIDT (United States of America) introduced two amendments (A/C.2/L.1016) to the revised draft resolution (A/C.2/L.1009/Rev.1). First, he suggested the addition, at the end of operative paragraph 1, of the following phrase: "and in particular its resolution 11 (II) on the regular programme of technical assistance for industrial development". Secondly, he proposed that operative paragraph 5 should be replaced by the following text:

"Recommends that the Industrial Development Board and the Governing Council of the United Nations Development Programme consider the desirability of converting Special Industrial Services to a revolving fund with sufficient flexibility to meet the United Nations Industrial Development Organization programme needs, the funds to be reimbursed from the United Nations Development Programme allocations to approved projects for which the United Nations Industrial Development Organization becomes the executing agency."

5. That procedure would allow much larger resources to be made available to UNIDO which could thus respond more satisfactorily to the requests of Governments. In addition, the proposed revolving fund would give UNIDO an operational flexibility comparable with that enjoyed by the Administrator of UNDP thanks to the Contingency Fund. The current resources of the Special Industrial Services programme amounted to \$7 million, of which only \$2 million had been

*Resumed from the 1216th meeting.

spent. As the donors intended their contributions to be utilized for seed money, it was quite natural that the funds should be reimbursed by UNDP if they germinated UNDP projects.

6. His proposal would make it easier to fulfil the purposes of the draft resolution and he urged the sponsors of that draft resolution to consider it carefully.

7. Mr. GEORGE (France), supported by Mr. FORT-HOMME (Belgium) and Mr. ANGER (Sweden), said that it would be advisable for the Committee to have some time to examine the United States amendments, in view of their significance and possible implications.

8. Mr. LUBBERS (Netherlands) agreed with the French representative. His delegation wanted an opportunity to scrutinize, in consultation with its Government, the United States amendment to operative paragraph 5 of the revised draft resolution (A/C.2/L.1009/Rev.1). His Government, responding to the appeal of the Executive Director of UNIDO, had contributed to the Special Industrial Services and had been somewhat disappointed to see a large part of the resources unused. The amendment proposed by the representative of the United States to operative paragraph 5 might be an acceptable solution but it was essential to know of all its possible technical implications and it must therefore be submitted to scrutiny.

9. Mr. CHTOUROU (Tunisia) felt that delegations had had sufficient time since the submission of the draft resolution to the Committee to study it and make any necessary amendments. He recognized that the United States amendment to operative paragraph 5 was important and introduced a new factor into the draft resolution. He therefore wondered whether the United States delegation might not introduce them when the Second Committee transmitted its recommendations to the Fifth Committee. His delegation was prepared to vote on the revised draft resolution A/C.2/L.1009/Rev.1 as it stood.

10. The CHAIRMAN observed that the draft resolution had been before the Committee for some time and that consideration of it had been suspended on several occasions to allow consultations. The Committee should therefore reach a decision on it as soon as possible.

11. Mr. GOLDSCHMIDT (United States of America) said that it had been physically impossible for him to introduce his amendments earlier. He suggested that the Committee should proceed to consider the other items on its agenda and take up the revised draft resolution and his amendments at a later stage.

12. The CHAIRMAN commended that suggestion to the Committee. Nevertheless, in order to expedite the Committee's work, he asked delegations which had further amendments to make to the revised draft resolution (A/C.2/L.1009/Rev.1) to give advance notice of them and, if possible, to circulate them in writing.

It was so decided.

AGENDA ITEM 40

Conversion to peaceful needs of the resources released by disarmament: report of the Secretary-General (concluded)

ADOPTION OF THE COMMITTEE'S DRAFT REPORT
(A/C.2/L.1014)

13. Mr. CHRISTIANSEN (Norway), Rapporteur, introduced the Committee's draft report on agenda item 40.

The draft report (A/C.2/L.1014) was adopted.

AGENDA ITEM 39

Permanent sovereignty over natural resources: report of the Secretary-General (concluded)

ADOPTION OF THE COMMITTEE'S DRAFT REPORT
(A/C.2/L.1015)

14. Mr. CHRISTIANSEN (Norway), Rapporteur, introduced the Committee's draft report on agenda item 39.

The draft report (A/C.2/L.1015) was adopted.

AGENDA ITEM 37

United Nations Development Decade: report of the Secretary-General (continued)* (A/7203, chap. III; A/7251 and Corr.1, E/4496, E/AC.54/L.25, E/AC.54/L.28, E/AC.54/L.29/Rev.1, E/AC.54/L.30, E/AC.54/L.31, TD/B/186/Rev.1)

15. Mr. RANKIN (Canada) said that his delegation had warmly supported the proposal to plan the strategy of development for the 1970s and intended to participate actively in that work. In preparing the plan, the Committee should look carefully at development in the 1960s in order to ascertain the successes and failures of the first United Nations Development Decade. The expectations of the international community had been bitterly disappointed by that Development Decade, which had aroused harsh criticism, although there had been solid, important achievements which had been too easily overlooked or ignored. The most specific criticisms had related to the following points: there had been no over-all strategy for the Decade and it had been given unrealistic targets; there had been no systematic, viable strategy or machinery designed to assist effectively the efforts of the United Nations in achieving those goals; only twenty-three countries had so far achieved the target of 5 per cent annual economic growth rate; developed countries had not reached the 1 per cent gross national product aid target; while there had been a substantial expansion of trade in the 1960s, it had been mainly among developed countries; the latter had not opened up their markets sufficiently to exports from the developing countries; primary commodities continued to be excessively vulnerable to world price fluctuations; measures for the transfer of technology to developing countries had been inadequate; the "brain drain" continued to cause serious difficulties in developing countries; the benefits of economic progress were reduced by rapid population growth in many countries; and, finally, the developing countries had not carried their full burden in the efforts to develop more rapidly.

*Resumed from the 1191st meeting.

16. On the other hand, the first United Nations Development Decade could be credited with the following achievements: it had been recognized that there was an urgent need to assist developing countries to improve their economic and social systems and that that was the responsibility of the world community; substantial increases had been made in bilateral and multilateral aid and in the provision of long-term loans; the magnitude of self-help by the developing countries had been very large; there had also been a substantial increase in the number of multilateral agencies, banks and funds concerned with the economic development of the countries of Asia, Africa and Latin America, for example, the International Development Association, the Organization for Economic Co-operation and Development (OECD) and the regional development banks; since 1960, twenty-five newly independent countries had joined the United Nations and, together with more than fifty other developing countries, had received bilateral and multilateral assistance; developing countries had participated in the substantial growth of international trade in the 1960s; there had been a recognition of the need to stabilize the prices of certain primary commodities; industrialized countries were now prepared to consider granting such primary commodities easier access to their markets and had taken steps to dismantle tariff barriers; the international community had become increasingly aware of the importance of human, social, economic, political and legal values and rights, and new measures had been introduced in the United Nations, which would help to guarantee those rights to all people; and, finally, the Development Decade had taught international organizations and the international community how to work together in an effort to accelerate the pace of economic and social development.

17. Those failures and achievements could and should provide guidance in planning the strategy for the second Development Decade. The strategy should in the first place be practical, constructive, dynamic and aggressive. Secondly, it should set long-term, but realistic, goals. The problems could not be solved in one decade, and their solution would require the mobilization of vast human and material resources. It was therefore important to establish clear priorities and to set goals that were sufficiently high, so that efforts to reach them would have a significant impact; on the other hand, they should be reasonably attainable. Otherwise, there was a danger that the strategy for the forthcoming Development Decade would become a source of disappointment, conflict and bitterness. The strategy must indicate priority areas of development in countries and regions and in relation to the broader universal programmes of the United Nations. The results of the survey undertaken by the International Bank for Reconstruction and Development (IBRD) could make a valuable contribution by assessing the impact of foreign aid in developing countries over the past twenty years and the allocation of resources in the future. The strategy should be regarded as a means of encouraging the developing countries to develop their economies and mobilize their domestic resources to that end and the developed countries to step up their efforts, particularly with regard to the transfer of 1 per cent of their gross national product to aid programmes. It should provide

for the participation of IBRD and the International Monetary Fund (IMF) in the planning and execution of development programmes, and also take into account the differences between economic systems, regional interests, stages of development, religious and social sensitivities and, of course, the national interests of Member States. It should make provision for effective techniques for the continuing assessment of achievements, so that changes in priorities could be made if possible. The strategy should place emphasis on the effective co-ordination of the work undertaken by the United Nations and the specialized agencies, including the World Economic Survey and the Report on the World Social Situation. It should be based on sound, responsible projections and, in formulating plans and programmes, should use standardized or compatible statistical data covering the whole range of economic and social phenomena. The strategy for the second Development Decade should make provision for the effective co-ordination of the programmes and resources of the United Nations systems, to avoid waste and duplication.

18. The United Nations must also be given the administrative capacity to enable it to discharge its increasing responsibilities as effectively as possible. The UNDP capacity study undertaken by Sir Robert Jackson would be extremely valuable in that respect. Consideration should be given to strengthening the role of the Secretary-General in the planning, implementation, management, analysis and evaluation of programmes. An attempt should be made to include measures for the co-ordination, at the national level, of Governments' approaches to the planning, financing and implementation of programmes. The strategy should provide for the sustained mobilization of the resources of Governments, non-governmental organizations and individuals, so that the programmes of the Development Decade could be executed.

19. Finally, the needs of the developing countries must be taken into account in the formulation and execution of the strategy. It must, therefore, be based on frank constructive discussions among those countries, the developed countries and the United Nations system.

20. Mr. AVILES (Ecuador) said that an evaluation must be made of the United Nations Development Decade which was drawing to a close, so that the valuable lessons learned could be used in the future. When the Development Decade had been proclaimed, it had been proposed that a concerted effort should be made to raise the level of living of all peoples and that the wide gap between the less developed and the highly industrialized countries should be narrowed. To that end, the developing countries were, *inter alia*, to have achieved the objective of a minimum annual growth rate of 5 per cent, and the developed countries were, *inter alia*, to have transferred each year to the developing countries resources representing 1 per cent of their gross national product. It was well known that those two objectives had not been achieved and that the problem of development remained.

21. While not underestimating the efforts made by the United Nations, the specialized agencies and the regional economic commissions to define clearly the specific goals and targets to be attained by

the international community in common endeavour towards the accelerated economic and social development of developing countries, his delegation attached great importance to the participation, in that enterprise, of the United Nations Conference on Trade and Development (UNCTAD) and its subsidiary bodies. It was clear that one of the causes of under-development lay in present world trade policy which enabled the less fortunate to be exploited. That situation must therefore be changed. No progress could be made until protectionist and discriminatory trade practices had been abolished, and until a generalized, non-reciprocal system of preferences in favour of the developing countries had been set up. Indeed, assistance, which was a redress and not an act of charity, was insufficient by itself.

22. The most noble and practical manifestation of the international will to combat under-development had been the establishment, during the current United Nations Development Decade, of UNCTAD which had steadily sought to promote the dynamic, diversified and self-sustaining economic growth of the developing countries. Its usefulness could not therefore be questioned, in spite of the criticisms levelled against it. The United Nations Industrial Development Organization (UNIDO) would also have an important part to play in the second Development Decade, as industrialization in the proper direction would help to improve the level of living of the less fortunate peoples. The regional economic commissions, UNESCO, FAO, IBRD, and IMF should also participate in the work of the second Development Decade. Development was not an end in itself, but a means of achieving the all-round development of man, the custodian of eternal values. It might be necessary to establish, under the direct authority of the General Assembly, a body in which countries not members of the Economic and Social Council or the Trade and Development Board would be represented, in order to co-ordinate the activities of those organizations.

23. It was essential to define a world-wide development strategy which should consist basically of a coherent and closely interlocking network of measures which both the developing and the developed countries should carry out in pursuit of certain specific ends. Several international bodies had already been considering those measures. Among them, his delegation attached particular importance to the expansion and diversification of exports from the developing countries. In other words, those countries would improve their agricultural productivity and expand their production into new fields so that they would no longer have to depend on a few products or even on one product alone. At the same time, the developed countries, without demanding reciprocity, would remove all the customs, tax and trade restrictions on the exports of the developing countries. The growth and diversification of industrial production in the developing countries was just as necessary both for the expansion of exports and for a certain amount of import substitution. To that end, the developing countries should institute domestic incentives and command extensive markets. In addition, they needed an adequate and appropriate system of international financial co-operation which

would provide them with low interest rates and which would be adapted to the situation in each country. Complementary and compensatory financing should be emphasized in that respect, as well as the revision of drawing rights. It was also urgent to set the date on which those developed countries which had not already done so should transfer 1 per cent of their gross national product to the developing countries, and ensure that the food surpluses which existed in certain developing countries were used for the benefit of other developing countries which had shortages. The anachronistic systems which existed in the developing countries and which prevented them from making proper use of their resources should be changed. Certain types of production should be transferred from the developed to the developing countries, as should technology and scientific knowledge in general. Finally, the struggle against ignorance, poverty, hunger and disease should be intensified.

24. Those ideas were not new, but the principles and objectives of UNCTAD should be set forth in a development charter in which the commitments of the developed countries, the developing countries and the international organizations would be specified. The success of the forthcoming Development Decade obviously depended upon the political will of States. The statements made by the representative of the Netherlands (see 1215th meeting) and by the Danish representative (see 1212th meeting) were encouraging in that respect. The developing countries, including his own country, were resolved to pursue their development efforts in order to enable all human beings to exercise their right to well-being and culture.

25. Mr. AL-ATTAR (Yemen) said that his delegation would reply in the affirmative to the question as to whether it was reasonable to launch a world-wide strategy covering a large number of countries, with all the attendant problems of co-ordination. To be sure, in view of the somewhat disappointing results of the first United Nations Development Decade, the record was regarded with some scepticism, but human needs in general, the vast problems involved in meeting those needs and the current requirements of a modern economy called for the preparation and realization of a world-wide strategy. However, statements of intention were not enough.

26. If the idea of economic planning—whether mandatory or indicative—had become accepted over the years, why not try an indicative plan on an international scale? In his delegation's view, the basic aims of a world-wide strategy were: the achievement of human solidarity; a concerted effort within each individual country to remove the obstacles to economic and social development; the mobilization of planned utilization of economic surpluses; the safeguarding of the interests of the developing countries; the integration of the world economy on a sounder basis; and the development of investments in the infrastructure and social system. Those aims were, more or less, the same as those which had been adopted as fundamental principles in the Charter of the United Nations and in the resolutions of the United Nations and its specialized agencies, but which, in practice, remained mostly a dead letter.

27. As far as international solidarity was concerned, there had been a decrease in the assistance provided by the wealthy countries, and the predominance of tied aid had been such that the proportion of untied financial resources remained minimal. On the other hand, certain domestic efforts had resulted, here and there, in satisfactory growth rates. Some countries had succeeded in mobilizing their economic surpluses, but others had wasted money in prestige investments and other over-ambitious projects. With regard to the question of safeguarding the interests of the developing countries and achieving trade integration, one could say, without fear of being mistaken, that sincere and effective collaboration between industrialized and developing countries was still a long way off. Finally, little stress was being laid on the training of the technicians so urgently needed by the developing countries.

28. The most important part of any world-wide strategy was the co-ordination of the legitimate, but sometimes conflicting, interests of the various countries. A closely interlocking network of measures should be instituted which would avoid such conflicts between immediate national interests and long-term international interests. In addition, there were measures of a technical nature: the subdivision of general objectives into local and regional objectives; technological decisions, priorities, etc.

29. With regard to specific conditions, it would be wrong, and even dangerous, to be satisfied with formulating general ideas, world-wide criteria and grandiose plans which were all the more vague because the sources of information were frequently unreliable. The United Nations must therefore set up a special committee to prepare and check statistical information, since some of the Organization's data on the developing countries were only relatively accurate. Next, the Organization should turn its attention to the foreign policy of countries, since there could be no development strategy for a country involved in a war. Hence, it was important that the United Nations should make a study of such a great impediment to economic development.

30. His delegation believed in the need for co-operation between countries. However, experts taking part in such co-operative activities should be endowed with a missionary spirit and should actively participate in on-the-spot training, a prerequisite for any kind of development. It was unfortunate, as his country's Minister of Foreign Affairs had said in the General Assembly (see 1706th plenary meeting, para. 59) that the maze of United Nations institutions was such that it was difficult to be fully acquainted with the workings of all of them. As a result, some of the small developing countries could only benefit occasionally from their assistance.

31. Mr. UUSIVIRTA (Finland) said that the United Nations Development Decade had been the first attempt by the Organization to set up quantitative world-wide targets for economic development. The complexity of the problems and of the tasks connected with the preparatory work for the second Development Decade had been stated clearly in the reports prepared by the different bodies in the United Nations.

32. His delegation agreed with the Secretary-General of UNCTAD that the most important difference between the first and second Development Decades had to be a change of attitude. It must be recognized that development involved the voluntary co-operation of both developed and developing countries. But in order to mobilize the necessary political will, it was first necessary to agree upon a common strategy accepted by both parties. The acceptance of an over-all strategy had to be based on a strong awareness of a common responsibility and understanding of the problems and of common measures to solve those problems.

33. That responsibility would seem to imply that the industrialized nations would face more squarely than hitherto the over-all quantitative requirements of the developing countries and the priorities set by those countries. For the developing countries, the obvious starting-point was the assessment of their own needs.

34. The United Nations was the international institution best fitted to work out the global strategy. New pieces of machinery were added to the Organization almost annually, but such additions seemed to be an outcome of organic growth rather than a result of a carefully and methodically planned system of expansion. That machinery had not yet been used to its fullest extent and in many cases the resources, and existing possibilities had been insufficiently employed. It was therefore encouraging that a study on the capacity of the executing agencies had been undertaken by Sir Robert Jackson for the Governing Council of UNDP. Another encouraging step was the decision of IBRD to set up an international commission (Pearson Commission) to examine the problems experienced in the field of international aid and development assistance over the past twenty years. His delegation shared the opinion that some kind of inter-governmental machinery should be established to formulate a development strategy, and hoped that an agreed solution on that matter could be achieved in the Committee.

35. The development plans adopted under the envisaged strategy would require some form of surveillance and their effectiveness would have to be subject to constant evaluation. Attention had rightly been drawn to the possibility of decentralizing that supervisory task. Furthermore, by turning to the regional economic commissions, it might be possible to avoid over-simplified development schemes and to draw attention to the different circumstances in different regions and countries, thereby increasing the effectiveness of the aid provided.

36. He wished to stress once again the close interdependence of economic development and social development, which the General Assembly had recognized in resolution 2293 (XXII) on the world social situation. In resolution 1139 (XLI), the Economic and Social Council had also stressed the necessity of recognizing the interrelated character of economic and social factors and the basic requirement that economic development and social development should go together. His delegation regretted that no mention of those two resolutions had been made in chapter III of the report of the Economic and Social Council (A/7203).

37. In conclusion, he emphasized that the United Nations, which was equipped to do so, should make every effort to impress upon as wide a public as possible the need for international co-operation for development.

38. Mr. BAKOTO (Cameroon) said that his delegation was approaching the agenda item under consideration in an atmosphere in which disappointment and uncertainty, resulting from the failure of the current United Nations Development Decade, were competing with hope, nurtured by some amount of progress and optimism over long-range prospects. The reference to disappointment and failure was prompted by the recognition that the desired objectives would not be achieved: the growth rate of the developing countries was still under 5 per cent; the present international situation was not ripe for a massive transfer of resources and technology; and when the targets which the developing countries were to achieve during the current Development Decade had been established, adequate consideration had not been given to the differing circumstances in those countries. All those factors explained the failure of the first United Nations Development Decade, as confirmed by the second session of UNCTAD. It could, of course, be said that UNCTAD's cumbersome machinery itself had not been conducive to negotiations; however, the failure at New Delhi was due mainly to a lack of political will: it was pointless to proclaim the need to eliminate under-development, and at the same time to avoid implementing recommendations tailored specifically for that purpose. Naturally, all development problems were complex and there was no miraculous solution for any of them. However, reason would suggest that, given the political will, some attempt could be made to find a solution.

39. Despite such a gloomy picture, there was still cause to believe that the coming Development Decade would be decisive, for during the current Development Decade the international community had been able to pinpoint certain problems more precisely. It had become aware of its common responsibility in tackling the phenomenon of under-development and had established a framework for concerted international action. Lastly, during the current Decade some countries had experienced a sizable growth rate and had attained some objectives, particularly with regard to their infrastructure.

40. There was no need to stress that, during the preparatory phase for the second Development Decade, co-ordination and harmonization were crucial for the formulation of an international development strategy incorporating national and regional plans. His delegation commended the method followed thus far and the manner in which the Secretary-General had undertaken the preliminary studies; the lessons of past experience led him to believe that the United Nations, Governments and experts would continue to work to develop a course of action.

41. In addition to taking into account certain well-known factors affecting development, the new strategy should stress regional integration and, in particular, should contain guide lines allowing for the particular circumstances of the countries concerned. A plan should be drawn up for each country or group of

countries specifying the targets to be reached, the international contribution to be made, the domestic efforts to be put forward and the length of time it should take to attain the objectives. Thus, the preparatory phase should be followed by a period of execution and supervision, during which periodic meetings would be held to determine how far the plans had progressed and to suggest any possible changes. However, all those efforts would prove fruitless if objectives and policies were merely defined without being matched by commitments. His delegation was therefore convinced that the Committee should give careful consideration to the nature of the document to be prepared. It agreed with the Netherlands delegation that the document should be a negotiated charter, signed and ratified by States.

42. Mr. KAMBA (United Republic of Tanzania) observed that the objectives of the first United Nations Development Decade had not been attained. That failure had been accompanied by a mood of frustration which threatened to paralyse the machinery of international co-operation. Selfish interests were reappearing. The causes of the failure were numerous: the projections had been vague; the programme of action had not been well defined; the terms of trade had deteriorated to the detriment of the developing countries; many developed countries had taken little, if any, part in the effort; and, lastly, financial resources had been spent on unproductive ventures.

43. Lessons should be drawn from that failure and the strategy for the next Development Decade should be prepared in a more rational and systematic way. The programme of work must be defined clearly and realistically. Duplication and evasion of responsibility must be avoided. As the Under-Secretary-General for Economic and Social Affairs had noted in his statement at the 1180th meeting, the strategy for the next Development Decade should include all the determinants of development: education, employment, health, technical and vocational training, food availability and capital formation.^{1/} The strategy should emphasize the attainment of self-reliance by the developing countries, through greater effort in the mobilization of domestic resources, increased agricultural productivity and regional co-operation. Those efforts should be complemented by appropriate measures by developed countries and international bodies. On the world market, the terms of trade had deteriorated, entailing a considerable loss of export earnings for the developing countries. The developed countries should therefore make a greater effort to provide development aid. They were financially capable of such action. The development strategy should encompass a reduction in the amount of tied aid and should free aid not committed to specific projects, thereby enabling the developing countries more fully to exploit their export potentialities. UNCTAD had a very important role to play in the preparation and implementation of the global development strategy, since the adoption of specific measures regarding trade and development would form a major part of the second Development Decade. Therefore, it should actively participate in preparing various parts of the global strategy. His delegation was

^{1/} See document A/C.2/L.1002.

convinced that the second Development Decade would succeed, provided there was a new political will and the determination to succeed.

44. Mr. BRADLEY (Argentina) regretted that reports of failures had become characteristic of every meeting. However, members should not look only at the negative side. Positive results had been achieved during the first United Nations Development Decade. Twenty-five countries had attained a growth rate of 5 per cent. While it was true that few countries had reached the 1 per cent target, more progress had been made than appeared to be the case at first glance. Trade had not expanded as much as had been hoped, but few developing countries were poorer now than they had been ten years earlier. A number of new international institutions had been established during the first Development Decade. Past experience and the newly established structures could serve as a basis for the success of the next Decade. A three-stage task lay ahead. First, the development strategy must be prepared and planned. It should be possible to attain positive results, provided that efforts were not bogged down in futile disagreements and that nations showed their determination to make progress within an organization that was truly representative of all countries. The second stage involved the implementation and attainment of the established target. That meant enlisting the help of every organization in the United Nations family, on the basis of a careful evaluation by each organization in its own sphere of competence. Lastly, the development strategy involved economic progress as well as other aspects closely related to it: there again, all institutions had a role to play. Co-ordination was therefore essential and should be ensured during the preparatory phase and throughout the Development Decade. It was to be hoped that every country would demonstrate the good will required for the success of the undertaking.

45. Mr. PINHEIRO (Brazil) said he wished to stress the responsibility of the United Nations and the specialized agencies with respect to promoting international co-operation for development and the responsibility of the industrialized nations with respect to the current world economic situation, which did not permit the developing countries to accelerate their rate of growth with the means at their disposal.

46. The survey by the Secretary-General entitled "Principles, directives and guide lines for action in the field of development" (E/4496) recalled a considerable number of resolutions which had emphasized the rights and duties of peoples in the field of development; he cited in particular the relevant passages of General Assembly resolutions 1515 (XV) and 1710 (XVI). In addition, it was clear from the World Economic Survey, 1967^{2/} that the world community had become more conscious of the disparities between countries and within countries, that the developing countries remained at a disadvantage in their efforts to ensure economic progress and that half of the twenty-five developing countries which had achieved a growth rate of 5 per cent had seen that rate decline during the current United Nations Development Decade. Moreover, the side effects of

the policies of the advanced countries played a more important part than deliberate actions and measures designed to influence the course of development in the developing countries. Alongside assistance, trade continued to play a basic role among the external forces which affected the economic development of the developing countries, and on which those countries generally had no influence. All those considerations brought out the importance of the role of UNCTAD in formulating the strategy of the forthcoming Development Decade.

47. What was happening? The ponderous machinery of the United Nations was being set in motion and beginning to produce a torrent of documents in anticipation of the forthcoming Development Decade. However, it appeared that the developed countries were refusing to consider seriously the conditions which prevailed in the world and to accept the radical decisions which would be necessary to correct them. A few concessions had been made, though not without many reservations, but there was no firm commitment or specific deadline for their implementation. The basic issues were being neglected for discussion of jurisdictional matters. The "group system", which made the dialogue difficult, was being criticized with no awareness of the fact that, poverty itself, and the influence of the great Powers throughout history, had created the current division of the world into groups. Present-day conditions could not be changed by the developing countries alone; only co-operation and mutual understanding could change those trends. Of course, much had already been done by the developed countries either directly or through international organizations; no doubt, international solidarity had been strengthened and an awareness of world needs had been created, but not a single developing country had succeeded in crossing the threshold to what could properly be called "self-sustained development". On the contrary, the situation had tended to worsen in the course of the preceding Development Decade, and the necessary changes in attitude had met with considerable resistance. All that had been done so far was not enough.

48. He was not attempting to make the industrialized countries responsible for the development of the less developed countries, but they should create conditions in the economic world which would permit the efforts of the latter to bear fruit. For the time being, it was impossible for them to accumulate internal savings which would permit the formation of investment capital; they could not export enough to pay for their increased imports; they had to borrow on very unfavourable terms, thus increasing their debt-servicing burden; lastly, they were unable to increase the productivity of their population for they did not have the means to do so, and even if that were possible, they would be confronted with closed markets, competition from synthetic substitutes and subsidized production in the developed countries. In short, if the current system of international division of labour remained as it was, all the existing gaps would continue to widen.

49. The world must be confronted with that unfair and unbearable situation. Co-operation and understanding were necessary. The construction to be

^{2/} United Nations publication, Sales No.: E.68.II.C.2.

undertaken should be based on the principles contained in UNCTAD resolutions. His delegation had applauded the statement by the representative of the Netherlands (see 1215th meeting, para. 25), in which he had spoken of a declaration of economic rights and duties to serve as an introduction to a plan of development strategy. It was necessary to change deficient political will into determined policy. The principles proposed by the developing countries at UNCTAD were minimum objectives which had to be recognized and implemented. Radical changes were needed, and the Third World could not afford to wait. If it was impossible to obtain from the Second Committee what had not been obtained in the course of two sessions of UNCTAD, at least there should be some indications of a constructive tendency towards commitment and action.

50. Mr. FREITAS (Portugal) said that his delegation had always attached importance to international co-operation for the achievement of development objectives. At the threshold of the second Development Decade, it was appropriate to draw constructive conclusions from the first United Nations Development Decade. In particular, there had been a decrease in the rate of growth of certain developing countries and an unsatisfactory trend in financial assistance

and trade. In the field of external financing, the present climate was not the most propitious for the launching of a large-scale international effort like the second Decade. The elaboration of a global strategy appeared to be extremely difficult, especially if it was to be co-ordinated with national plans. As for the resources available, some improvements were possible, and the recent statement by the President of IBRD was a good example of a desirable orientation for financial aid policy. Increased co-ordinated efforts should be devoted to consideration of the human aspect; in that regard, the Portuguese development plan for the period 1968-1973 gave higher priority to education and the training of professional staff. Progress had been very slow in the field of international trade. All those difficulties were a challenge to the abilities of the United Nations, and a magnificent opportunity for it to improve its methods of work and strengthen its capacity for action.

51. Mr. ASANTE (Ghana) reserved the right to speak again when a draft resolution on the second Development Decade was submitted.

The meeting rose at 6.35 p.m.