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

AGENDA ITEM 39

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

1. Mr. SIDASH (Byelorussian Soviet Socialist Republic) said that the exercise of the inalienable right of all countries to permanent sovereignty over their natural resources was of particular importance for the economic development and the independence of developing countries. The Byelorussian delegation had welcomed the adoption of General Assembly resolution 2158 (XXI) but was surprised at the brevity of the progress report (A/7268) submitted by the Secretary-General pursuant to part II, sub-paragraph (c) of that resolution. The report contained a mere summary of activities relating to natural resources, without serious consideration of the urgent and complex problems of permanent sovereignty over those resources. Sufficient information for a detailed analysis of the situation was available, and the Secretary-General should therefore be requested to submit a much more detailed study, which could be used in preparing programmes of action for the second Development Decade. The report, however, did contain some useful information; in paragraph 7, for example, the importance of the role of the State was stressed. In that connexion, it might be useful to analyse the experience gained in the establishment of State institutes for planning, research and development in the matter of natural resources.

2. The problem of strengthening sovereignty over natural resources was closely linked with that of eliminating the economic consequences of colonialism. Many former colonial countries were endeavouring to counter the activities of foreign monopolies by such measures as the nationalization of various sectors of industry, agricultural reform and the limitation of foreign capital. However, the imperialist countries and monopolies were resorting to every conceivable manoeuvre to maintain their flow of profits, in violation of the sovereign rights of the less developed countries. Another matter of concern was the emergence of neo-colonialism; the Secretary-General's

report should therefore include appropriate recommendations regarding ways and means of freeing the countries concerned from foreign domination. In that connexion, stress should be laid on the need for the developing countries to increase their share of the profits derived from the exploitation of their natural resources by foreign capital. Although that need had been a matter of concern to the United Nations for some time, no significant progress had been achieved in the matter, and many African and Latin American countries continued to experience the adverse effects of domination by foreign monopolies. In southern Africa the exploitation of minerals was controlled by three international monopolies: the Anglo-American Corporation of South Africa, whose net profits in 1966 had been £15.4 million, Charter Consolidated, whose net profit for the year ended 31 March 1967 had been £8.6 million, and Selection Trust. In the Middle East, foreign oil monopolies were amassing huge profits by exploiting the indigenous population: thus, the income of the Shell Oil Company for the period 1954-1964 had amounted to £1,200 million, or eight times its total new investments during that period.

3. Thus, the indigenous population was deprived of the opportunity to participate properly in economic activity and subjected to flagrant exploitation. Unfortunately, the aim of the documents prepared by the Secretariat on the subject appeared to be to convince the developing countries that they must make significant concessions to foreign capital as a "necessary evil", whereas the opposite was in fact true. The developed Western countries should persuade their monopolies to respect the interests of the developing countries. In addition, all countries should be given the opportunity to exploit their natural resources, to establish and develop modern industrial sectors, and to carry out radical social and economic reforms. The experience of the Byelorussian SSR, which had a strong economic base of raw materials and a developed industrial structure, showed that the exercise of those rights led to a flourishing national economy and rapid social and industrial progress.

4. The exploitation of natural resources should be one of the central themes of the second Development Decade. The Economic and Social Council should take appropriate steps to expand and strengthen its coordinating function in order to promote permanent sovereignty over natural resources as one of the main tools of development.

5. Mr. LEKONGA (Democratic Republic of the Congo) said that the terms of General Assembly resolution 2158 (XXI) were quite explicit, and it was difficult to see what purpose would be served by sending questionnaires to Governments or requesting more pre-

cise guide-lines, as suggested in paragraph 18 of the Secretary-General's progress report (A/7268). The developed countries which had abstained in the vote on the resolution could hardly be expected to submit worth-while replies to such questionnaires. It would be more honest purely and simply to accuse those countries of having failed to implement the resolution.

6. The Congolese delegation had expected a more detailed report, which might have included the report of the Secretary-General entitled Foreign Investment in Developing Countries^{1/} referred to in paragraph 10

^{1/} United Nations publication, Sales No.: E.68.II.D.2 (E/4446 and Corr.1).

of document A/7268, and might have taken much more account of other documents available on the subject. The issues were well known and there was no need for questionnaires.

Organization of the Committee's work

7. After a short procedural discussion, the CHAIRMAN suggested that a decision should be taken at the next meeting regarding how the outstanding items, including item 92 entitled "One day of war for peace", which had been allocated to the Committee, were to be fitted into the work programme.

It was so agreed.

The meeting rose at 11.45 a.m.