UNITED





General Assembly

Economic and Social Council

Jistr. GENERAL

A/40/477 E/1985/136 12 July 1985 ENGLISH

ORIGINAL: ENGLISH/RUSSIAN

GENERAL ASSEMBLY
Fortieth session
Items 12 and 84 of the preliminary
list*
REPORT OF THE ECONOMIC AND SOCIAL
COUNCIL
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 12 July 1985 from the Chargé d'affaires a.i. of the Permanent Mission of Bulgaria to the United Nations addressed to the Secretary-General

On 9 July 1985, His Excellency Mr. Assen Zlatanov, Representative of the People's Republic of Bulgaria, delivered a statement on behalf of the socialist Countries at the plenary meeting of the Economic and Social Council, held at Geneva.

I kindly request you to have the text of that statement circulated as an official document of the General Assembly and of the Economic and Social Council at its second regular session of 1985.

(<u>Signed</u>) Evgueni ALEXANDROV Minister Plenipotentiary Chargé d'affaires a.i.

^{*} A/40/50/Rev.1.

^{**} E/1985/100.

ANNEX

Letter dated 10 July 1985 from the Head of the Delegation of Bulgaria to the Economic and Social Council at its second regular session of 1985 addressed to the Secretary-General

In my capacity as Co-ordinator of the group of socialist countries members of the Economic and Social Council and observers attending its 1985 second regular session, I was entrusted to read out on 9 July, in Plenary, a joint statement entitled: "Forty years of international economic co-operation in the United Nations", on behalf of the following countries: Bulgaria, Byelorussian Soviet Socialist Republic, Czechoslovakia, Hungary, German Democratic Republic, Mongolia, Poland, Ukrainian Soviet Socialist Republic and Union of Soviet Socialist Republics.

I have the honour, on behalf of the above-mentioned countries, to request you to take the necessary steps to have the text of this letter and the attached joint statement circulated as an official document of the General Assembly, under items 12 and 84 of the preliminary list, and of the Economic and Social Council, under agenda item 3 of the second regular session of 1985.

(<u>Signed</u>) Assen ZLATANOV
Ambassador
Chief of the International Economic
Organizations Department of the
Ministry of Foreign Affairs

Head of the delegation of Bulgaria to the 1985 second regular session of the Economic and Social Council

APPENDIX

JOINT STATEMENT

by the delegations of the Byelorussian Soviet Socialist Republic, the People's Republic of Bulgaria, the Hungarian People's Republic, the German Democratic Republic, the Mongolian People's Republic, the Polish People's Republic, the Union of Soviet Socialist Republics, the Ukrainian Soviet Socialist Republic and the Czechoslovak Socialist Republic at the second regular session of the Economic and Social Council for 1985 in connection with the fortieth anniversary of the United Nations "Forty years of international economic co-operation in the United Nations"

9 July 1985

The socialist countries consider the task of developing international economic co-operation to be one of the most important aspects of the activity of the United Nations, of which the fortieth anniversary is being celebrated in 1985.

Established in 1945 as a result of the victory over nazism and fascism in the Second World War, the United Nations set as its main goal the maintenance of international peace and security through the joint efforts of all States. For the purpose of establishing peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, the Charter of the United Nations (Article 55) set the United Nations the task of promoting higher standards of living, full employment and conditions of economic and social progress and development, solving international economic problems and developing international co-operation.

In view of these underlying goals of the United Nations, the socialist countries, throughout the 40 years of United Nations activity, have been and still are motivated by the indissoluble link between the problems of establishing lasting peace and international security and the development of international economic co-operation and the improvement of international economic relations. consistently uphold the position that the prevention of nuclear war, the adoption of specific measures to reduce armaments and achieve disarmament and the prevention of the spread of the arms race to outer space are indispensable prerequisites for the successful performance of the vital task of ensuring the economic development of States and developing international co-operation in trade and economic matters. The Declaration entitled "Maintenance of peace and international economic co-operation" issued at the high-level Economic Conference of the member countries of the Council for Mutual Economic Assistance (Moscow, 12 to 14 June 1984) states: "Today, there is no more important task than that of preserving peace on earth and averting a nuclear catastrophe. It is of paramount importance to end the arms race, move towards a reduction in armaments and maintain the military and strategic balance at ever lower levels. This is also the most important prerequisite for improving the world economic situation".

The practice of international life and the 40 years of United Nations activity in the economic area have convincingly shown that international economic co-operation develops best in conditions of lasting peace and a healthy international climate.

The experience of the 1970s convincingly showed the necessity and the fruitfulness of détente for all spheres of relations between the countries of the world. Détente facilitated the improvement of international relations, the development of mutually advantageous relations and the development of mutually beneficial economic ties between countries. As the military threat receded, it became possible to increase economic assistance to the newly liberated countries. During this same period, the developing States and the socialist countries struggled to achieve the restructuring of international economic relations on a just and democratic basis.

The socialist countries have always emphasized that, now that the forces of socialism are becoming stronger and a large group of newly-liberated States is emerging on the international scene and after achieving political independence, pursuing economic decolonization as their main goal, the restructuring of international economic relations is historically inevitable. Having evolved the context of a quite different alignment of world forces and reflecting only the mercenary interests of the imperialist States and their monopolies, the character of international economic relations was in contradiction with the vital interests of the vast majority of countries and with the development of the international situation in general. This discrepancy became particularly acute after the process of détente in the 1970s created the prerequisites for the solution of current economic problems in the interests of all the peoples of the world and for the restructuring of international economic relations on a basis of democracy and fairness.

Over the entire 40 years of existence of the United Nations, the socialist countries have consistently taken initiatives aimed at the normalization of international economic relations and their reorganization on the basis of new, just principles. The socialist countries, which were among the initiators of the United Nations Conference on Trade and Development (UNCTAD), put forward as early as its first session in 1964 the basic principles of international economic co-operation, the adoption of which shows the way to a radical restructuring of economic ties between States.

In pursuit of their unchanging policy aimed at the strengthening of peace and at the improvement of the entire system of inter-State political and economic relations, the socialist countries actively supported the efforts of the developing and non-aligned countries directed at the democratization of international economic relations and the establishment of a new international economic order.

As a result of the joint efforts of the socialist and developing countries in the 1970s and 1980s, various important and progressive instruments were adopted in the United Nations, such as the Charter of Economic Rights and Duties of States, the Declaration and Programme of Action on the Establishment of a New International Economic Order and the United Nations Development Strategy for the Second and Third

United Nations Development Decades. The resolutions of the United Nations General Assembly concerning the adoption of these basic instruments in the economic sphere of activity of the United Nations, having been supported by the overwhelming majority of the States Members of the United Nations, will serve as a good basis for the establishment of the new international economic order, and their implementation is destined to make a substantial contribution to the democratization of international economic relations, to the improvement of the international climate as a whole and to the fruitful development of international co-operation in trade and economic matters and in science and technology. These United Nations instruments, adopted during a period of international détente, created favourable prospects for the expansion and development of economic co-operation between States, including those with different social and economic systems. During this period, new types of international trade and scientific and technological ties emerged and the positions of many developing countries in the world economy started to become stronger.

However, the course taken in the late 1970s and early 1980s by the imperialist forces, primarily the United States of America, towards curtailing détente, stepping up the arms race, seeking military superiority and imposing their practices on other peoples cut short the above-mentioned positive trends in international economic co-operation, undermined the structure of mutually beneficial economic links which was beginning to evolve among States, and destabilized the whole process of discussion in the United Nations of the problems of restructuring international economic relations on a fair and democratic basis.

The escalation by those circles of the arms race, which is diverting enormous material and financial resources from the needs of social and economic development of States, has been one of the main causes of the aggravation of political and economic instability at the global level.

In the 1980s, the United States sharply intensified its policy of using international economic relations for its political goals and of undermining the Progressive trends of United Nations work in the socio-economic field. This is causing enormous harm to United Nations activities to resolve fundamental world economic problems and impeding the development of international economic co-operation. In violation of the commonly accepted norms of inter-State relations, the United States is breaking agreements which have been reached, resorting to the organization of a blockade on trade, credit and technology, and making increasing use of coercive methods of pressure, embargoes and "sanctions" against many countries, particularly the socialist and progressive developing countries, in addition to imposing that policy on its closest allies.

The destructive course taken by the United States in international economic relations also extends to other capitalist countries. Under various pretexts, American imperialism in its advocacy of anti-communism is aiming to resolve its internal problems at the expense of other developed capitalist countries, to weaken its competitors and exclude them from world markets, to gain control over whole regions of the globe, and to undermine the positions of countries and even individual firms which maintain business contacts with the socialist countries.

All of this harms international economic relations as a whole, hinders the solution of fundamental world economic problems, hampers the economic development both of the developed capitalist countries and of the developing States, adds to disorganization and restrictions in international trade, increases the instability of world commodity markets, and leads to the growth of protectionism and the destabilization of international monetary relations.

The negative effects of such a policy in economic relations among States have an impact above all on the developing countries, which are suffering most acute social and economic difficulties. Their economic development is considerably impeded and often totally paralysed by deteriorating terms of trade on the world markets, enormous external debts, worsening terms of credit and financial restrictions. By applying all these instruments of political and economic pressure, the imperialist States are shifting the burden of the economic crisis onto the shoulders of peoples of the developing countries and continuing to intensify neo-colonialist exploitation of the latter, chiefly through their transnational corporations. At the same time, the economic revival in the developed capitalist countries is not leading to a real improvement of the socio-economic situation in the newly independent countries, which remain at the periphery of world capitalist economics.

The dangerous course taken by imperialism in political and economic relations among States is also clearly visible in the economic organs of the United Nations, where the United States and its allies are blocking all efforts by the socialist and developing countries aimed at the improvement and democratization of international economic relations, the restructuring of those relations on a fair and democratic basis, and the development of mutually beneficial and equitable international co-operation in the economic, scientific and technical fields. desire of the imperialist States, led by the United States, to prevent any encroachment upon their privileged position in world economics and to increase by means of diktat and pressure the area and extent of their plundering of other peoples is what determines their policy of sabotaging in the United Nations all the principles and provisions of the Charter of Economic Rights and Duties of States, and the Declaration and the Programme of Action on the Establishment of a New International Economic Order. The Western countries are aiming to bury the very idea of restructuring international economic relations according to democratic and just principles; and having already blocked "global negotiations" in the United Nations on the most urgent world economic problems, as called for in resolution 34/138, and the adoption by the United Nations of a code of conduct for transnational corporations, they are placing obstacles in the way of implementing and of carrying out a review and appraisal of the implementation of the United Nations International Development Strategy for the 1980s and the Charter of Economic Rights and Duties of States.

All of this constitutes a gross violation of the United Nations Charter and is in open defiance of the legitimate demands of the overwhelming majority of States Members of the Organization.

The obstructionist course adopted by the forces of imperialism in international economic relations and the economic organs of the United Nations is

being countered on the part of the socialist countries by a constructive policy aimed at the comprehensive development of international economic co-operation and the implementation of all the progressive decisions taken by the United Nations with regard to the democratization of international economic relations.

In the circumstances that prevail today, the foremost task is to revive, consolidate and increase all the positive results achieved in international relations during the 1970s and to strive to strengthen mutual trust and develop co-operation based on equality among States irrespective of their social systems. For these ends to be achieved, the first requirement is the actual implementation of all the recommendations and agreements to promote the development of mutually advantageous and fruitful economic co-operation which were formulated through the collective efforts of States and reflected in the Final Act of the Conference on Security and Co-operation in Europe, the concluding document adopted at the Madrid Meeting of the Participating States of that Conference, the Charter of Economic Rights and Duties of States, the Declaration and Programme of Action on the establishment of a New International Economic Order, and other United Nations decisions.

The socialist countries call on all States to observe faithfully in international economic relations the principles of respect for national independence and sovereignty, non-interference in internal affairs, non-use of force or the threat of force, complete equality, respect for national interests and each people's right to self-determination, mutual advantage, non-discrimination and most-favoured-nation treatment. In economic relations among States and within the economic organs of the United Nations system, there must be an end to the practice of diktat and the use of economic mechanisms to exert political pressure and to interfere in the internal affairs of sovereign States, and a climate of trust must be established in that vital area of inter-State relations.

With a view to developing their proposals on the democratization of international economic relations and the development of international economic co-operation, the socialist countries put forward at the high-level Economic Conference of the CMEA member countries a practical and realistic programme of action for improving international economic relations, ensuring economic security and establishing confidence in that vital area of inter-State relations. In that programme, the socialist States reaffirmed their determination to develop fruitful commercial, economic, scientific and technical ties with all the countries of the world ready for such ties, primarily on the basis of long-term programmes and agreements and mutually advantageous forms of co-operation, such as assistance in equipping and building installations, industrial co-operation and joint scientific and technical work. Mutually advantageous co-operation with the developed capitalist and the developing countries, as well as with their economic organizations, could truly help to expand trade, ensure the supply of energy and raw materials, hasten technological progress, develop international transport, protect the environment and increase employment in countries with a high level of unemployment.

As the forces of imperialism are ignoring the just demands of the socialist and the developing countries for the improvement and democratization of

international economic relations and are using inter-State economic ties and international economic organizations to serve their own political interests, there is an urgent need to step up United Nations efforts for the restructuring of international economic relations on a just and democratic basis and the establishment of the new international economic order and for the launching, at the earliest possible date, of "global negotiations" within the United Nations on the most important international economic problems in accordance with the decisions of the Organization, with the participation of all States and with regard for their legitimate interests.

The socialist countries consider perfectly just the demands which the countries of Asia, Africa and Latin America are addressing to those responsible for their difficulties, as those countries struggle for economic decolonization, broad and equal participation in the solution of international economic problems, a stop to the outflow of capital and skilled personnel, an end to the harm caused by the activities of transnational corporations, and the reduction of their foreign debt burden.

The political and economic support they give to the progressive demands of the developing States in the field of international economic relations and their policy of providing them with whatever economic and technical assistance they can represent a practical contribution on the part of the socialist countries to the struggle of the newly independent States to eliminate underdevelopment and to achieve economic self-reliance.

The socialist countries are convinced that the aims and purposes of the United Nations in the economic sphere can be successfully realized only if international economic relations are restructured in a way that enables all the countries of the world to develop their own economic potential in a comprehensive fashion and advance along the path of development in conditions of peace, justice and mutually advantageous co-operation.