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AGENDA ITEM 55

Development and international economic co-operation
(*continued*):

(a) Report of the Committee of the Whole Established under General Assembly Resolution 32/174

1. Mr. TABIBI (Afghanistan): It is a fine coincidence that agenda item 55 which we are now discussing comes under the purview of Article 55 of the United Nations Charter, which states:

"With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, the United Nations shall promote:

"a. higher standards of living, full employment, and conditions of economic and social progress and development;

"b. solutions of international economic, social, health, and related problems; . . ."

2. In fact, it is the noble provisions of Chapter IX, and particularly Article 55, which distinguish the Charter from the Covenant of the League of Nations, because at Dumbarton Oaks and at San Francisco the founding fathers of the United Nations stressed the importance of economic self-determination along with political rights. The main reason for establishing the Economic and Social Council as a principal organ of the United Nations was the urgent need to cope with the economic and social progress of nations.

3. Since the adoption of the Charter along the silvery shores of the Pacific in the beautiful city of San Francisco, more than three decades have passed and the United Nations has witnessed the achievement of near universality, and the political emancipation of Asia, Africa and Latin America, except in a few places, has happily been realized. But the political self-determination of nations, with colourful flags and beautiful and impressive national anthems, has done nothing to solve the economic problems. Political and economic self-determination is a prerequisite for maintaining the independence and sovereignty of newly-emerging nations. Otherwise, the old form of colonialism which leaves from the front door will certainly come back under the guise of neo-colonialism and

economic domination through the back door. It is because of this injustice that after the passing of three decades, with a growing world population and increased poverty, the economic problems of the developing world have become more acute and serious and the gap between poverty and prosperity, between the rich and the poor, between the developed and the developing countries, is widening. Because of the refusal to negotiate with reason and to restructure international economic relations, the world-wide economic crisis has increased.

4. Many centuries ago the Roman philosopher Seneca said: "Hungry men do not listen to reason nor care for justice and do not bend for prayers." But as we see in our times, some nations in the North do not listen to reason nor care for justice.

5. Two Development Decades have been proclaimed but little progress has been made. The declarations of the General Assembly, the conclusions of five sessions of UNCTAD, the call of six Conferences of Heads of State or Government of Non-Aligned Countries, the many declarations by various regional and international gatherings as well as the many appeals by the Group of 77 have all fallen on deaf ears. Today, two thirds of the people in the developing world are impatient and restless and express grave concern over their economic and social misery. They are rightly dissatisfied with the insufficient progress made in the negotiations on the implementation of the Declaration and Programme of Action on the Establishment of a New International Economic Order adopted at the sixth special session of the United Nations General Assembly [*resolutions 3201 (S-VI), and 3202 (S-VI)*].

6. The developed free market countries, neglecting their humanitarian obligations under the Charter and wishing to maintain the *status quo* based on economic domination and exploitation, display no political will for economic co-operation.

7. They stall when it comes to contributing a small amount of help and understanding but they are willing to spend \$1.5 billion every day for armaments and weapons of mass destruction; they are not ready to divert 10 per cent of that amount for a fund to save billions of hungry, naked, undernourished and sick people in the developing world. It was mainly because of that attitude that the fifth session of UNCTAD, which was held at Manila last May, was unable to achieve even minimum results. The present rigid attitude of those countries will result in an escalation of the world economic crisis.

8. As statistics show, there has been no increase in growth in the developing world during the last few years, and there is no hope for the future if the present short-sighted and inward-looking approach is followed by the industrial countries. As a result of this inward-looking approach, under-development, malnutrition, il-

literacy, poverty, hunger and disease continue to increase. The continued escalation in the prices of manufactured capital goods, food products and services imported by the developing countries and the fluctuations in the prices of primary products of the developing countries have created a wide trade gap which immensely affects the economic and social life of those countries and thus contributes to increased poverty and suffering for the people in the third world.

9. The developed nations use the high level of inflation and unemployment, their failure to control them and their chronic difficulties with their balance of payments as an excuse for not adopting measures to meet the urgent needs of developing countries and for not agreeing to restructure their economies to meet present-day needs.

10. Among the developing countries, the least developed and the land-locked countries of Asia, Africa and Latin America, in addition to the most seriously affected countries, suffer from both inflation and recession, from the high prices of the capital goods of the industrial world, the uneven trends of trade, the deterioration of the international monetary situation, the increase of foreign debts, a protectionist policy and high tariffs, on the one hand, and spiralling high prices of energy, on the other. The proverb in my country that "from one side comes the bull's horn and from the other the hammer of the blacksmith" applies to the situation of the hungry, naked, sick, homeless and impoverished people of these countries.

11. After the disappointment of the fifth session of UNCTAD, the Committee of the Whole was established under General Assembly resolution 32/174 to monitor the economic situation. As was stated so ably at the 40th meeting, on behalf of the Group of 77 by its Chairman, the representative of India, as well as by Mr. Stoltenberg of Norway as Chairman of the Committee of the Whole, that Committee held two important meetings before and after the Sixth Conference of Heads of State or Government of Non-Aligned Countries¹ to review the serious plight of the developing world and to present its decisions to the General Assembly at this session for urgent consideration.

12. During the Committee's debate, both the Secretary-General of the United Nations and the Director-General for Development and International Economic Co-operation, as well as the Director of UNIDO, the Secretary-General of UNCTAD, representatives of other agencies and the member States of the Committee, emphasized unanimously the need to restructure the pattern of global production, consumption and trade so as to ensure, among other things, a substantial enlargement of the share of the developing countries in world industry and their exercise of full and effective control over the use of their natural resources. The Group of 77 in the Committee of the Whole, the non-aligned countries at their meeting at Havana and their Ministers for Foreign Affairs, meeting earlier this month at Headquarters, supported the new proposal for a fresh round of global negotiations relating to international economic co-operation for development. This proposal was the most important step taken by the heads of State or Government at Havana; it was endorsed in New York at the meeting of the Committee of the

Whole; and now it is before this Assembly for consideration [A/34/34, part three, annex I]. We hope that the Assembly will act justly with regard to this proposal.

13. In the light of the critical world economic situation, the existence of the growing gap between the rich and the poor and the increasing importance of and restlessness in the developing world, the delegation of the Democratic Republic of Afghanistan believes that item 55 at present under consideration and the proposal put forward by the Group of 77 in the Committee of the Whole represent the most crucial and important matter before this session of the Assembly, and demand our serious attention. It is also our considered opinion that, regardless of its ineffectiveness during 1977 and 1978, the Committee of the Whole has tackled the issues before it this year very seriously, and we agree with the Chairman of the Committee, Mr. Stoltenberg, that it is only in this forum that we can revitalize and strengthen the North-South dialogue and make global negotiations effective. The failure of the Paris Conference on International Economic Co-operation, as well as that of the fifth session of UNCTAD at Manila to which I have already referred, makes it more essential that the Committee of the Whole should be an effective forum for North-South dialogue, because that Committee provides not only an economic but also a political forum in which we can move towards the basic solution of world economic problems.

14. The Committee of the Whole in the short time at its disposal was unable to adopt definite proposals, but it indeed considered seriously all the issues confronting it; it identified those principles on which agreement was possible and those issues on which further consultation was required; it was in no hurry to adopt any proposal but it offered time for reflection and negotiations. The Committee of the Whole agreed unanimously that if global negotiations take place within the framework of the United Nations, perhaps in the Committee of the Whole itself, many issues confronting us will be resolved, provided that those negotiations take place within a strict time-frame in order to ensure speedy results.

15. We also consider that the global negotiations proposed by the Group of 77 would in no way duplicate ongoing negotiations such as those relating to the international development strategy, but that more effective global negotiations, held seriously and honestly within a time-frame, would tackle all major issues and make the New International Economic Order a reality. It is up to the Chairman of the Committee of the Whole and the Committee itself to arrange to hold more frequent high-level meetings in order to make adequate and necessary preparations for the essential global negotiations and to prepare the ground for the forthcoming 1980 special session.

16. There are other proposals in relation to special categories of States, such as land-locked ones [*ibid.*, annex VII], which are facing acute economic situations because of the injustices of geography and history, as well as island developing countries [*ibid.*, annex VI] and most seriously affected countries [*ibid.*, annex IV]. I hope that these texts will be given serious attention and consideration in both the plenary Assembly and the Committee of the Whole. While I am not giving priority to any specific proposal attached to the report of the Committee now before us, I deem it my duty, as a representative of the least developed countries and of

¹ Held at Havana from 3 to 9 September 1979.

the land-locked countries, to state that the problems of the land-locked States of Asia, Africa and Latin America are more acute than those of any other seriously affected country or island developing country. Those problems are serious because of the permanent geographical situation that hinders the trade and access to the sea and to the outside world of the land-locked States—and that is indeed a serious problem. In fact, they form the only group of countries in need of the co-operation of the developing countries, particularly of their neighbours, which may be developing States themselves. Therefore the transit countries of Asia, Africa and Latin America should be the first to light the torch of co-operation with their land-locked neighbours, because this helps to stimulate and accelerate trade between them and creates an atmosphere of friendship and co-operation in their own region, as required by resolutions No.1 and No.7 adopted at Havana at the sixth Summit Conference of the non-aligned countries [see A/34/542, annex, sect. VI B].

17. At this stage, as I have said, I do not want to touch upon the substance of these resolutions because, as the representative of India in his capacity as Chairman of the Group of 77 stated, those resolutions will be discussed after careful consultations in November, and there is ample time to explain our views on them. What I would add now is that, in accordance with the old saying that charity begins at home, the Group of 77 and the developing countries should co-operate first in any way they can with one another; then they will be more united when it comes to the global negotiations to solve the major economic problems which confront us today.

18. We must be vigilant and determined in our efforts and not miss any opportunity for the good of mankind. We believe that the whole world is like a single home, and that under its roof every nation should live as a member of the same family. We should all help one another like members of one family.

19. Mr. SADEGHI YARANDI (Iran): This is the second consecutive year in which the General Assembly is considering the item on development and international economic co-operation at its plenary meetings. This procedure has been adopted in order to re-emphasize the legitimate concern of the international community at the grim prospects for the world economy and in particular their grave consequences for the developing countries. It is therefore an appropriate occasion to make an objective evaluation of the results of the ongoing negotiations in the Committee of the Whole and other United Nations forums, with a view to giving new impetus to the future course of action.

20. The outcome of the negotiations on international economic co-operation both within and without the United Nations system have so far been alarmingly disappointing.

21. The convening of the sixth special session of the General Assembly raised much hope and expectation in the developing countries which have long suffered from the cruel injustices and inequities of the prevailing world economic order. They put their hope in the growing recognition of the fact that the world economic order created after the Second World War was coming to an end and that a new and just order was in the making. It

was with the same hope that they left the seventh special session of the General Assembly to embark upon a genuine and meaningful dialogue with a view to bringing about systemic changes in the world economy, based on the New International Economic Order. However, the course of subsequent events did not testify to the realization of those aspirations.

22. The Paris Conference on International Economic Co-operation was yet another phase of the North-South dialogue held outside the United Nations system, the outcome of which is well known to this Assembly. The establishment of the Committee of the Whole, at the United Nations level, to continue the negotiating process within the framework of the New International Economic Order has, so far, proved inconclusive. The results of other international conferences and meetings convened at great cost by the United Nations—such as the fifth session of UNCTAD, the United Nations Conference on Science and Technology for Development, the multilateral trade negotiations and so on—are also discouraging.

23. All efforts undertaken since the initiation of the first round of negotiations between the rich North and the poor South at the first session of UNCTAD² have thus either failed or had meaningless results. It is particularly disquieting to see that, while international negotiations on the pressing problems of the world economy have failed to produce any meaningful results, the actual economic situation is rapidly deteriorating. The world economy is facing the most serious crisis since the Second World War. The adverse effects of this deep crisis are increasingly imposed on the vulnerable economies of the developing countries. The studies and reports on the economic development of the developing countries bear witness to the shocking realities prevailing in those countries. Yet their situation is constantly worsening, in comparison to the economic gains of the developed countries.

24. The underlying cause of the failure of all international actions to redress the present condition of the world economy is the perpetuation of an unjust and unequal economic system which determines international economic relations. The main cause of the lack of success in international negotiations lies in the fact that the old system has remained untouched. The problems of the world economy which aggravate negative trends in international economic relations, with increasingly harmful effects on the developing countries, are structural in nature. Piecemeal and short-term approaches do not lend themselves to the solution of those problems. A resolute and drastic transformation in the structure of the world economy is long overdue. Indeed, the sixth and seventh special sessions of the General Assembly laid the groundwork for this imperative.

25. The Director-General for Development and International Economic Co-operation already referred to the need for structural change in his statement to the Second Committee on 1 October last, in which he said the following:

“The characteristic feature of the Declaration and the Programme of Action on the Establishment of a New International Economic Order, elements of which were further elaborated in the Charter of

² Held in Geneva from 23 March to 16 June 1964.

Economic Rights and Duties of States, was its call for structural change. These documents are based on the premise that systemic change must be made in the world economy to take the developing countries out of their condition of dependence on the developed countries, a dependence which is not only a result but also an important contributory cause of their underdevelopment.”³

26. It is often stated that the continuation of this system is in the interest of no one. It is ironic, however, to note that some developed countries adamantly resist any changes in the *status quo*. Instead of addressing themselves to the solution of the real problems, those countries have time and again attempted to divert attention by means of introducing new concepts or proposals which do not reflect the reality of the situation prevailing in the third world.

27. Some other countries again have tried to focus international attention on the energy situation and the decision of the oil-exporting countries to adjust oil prices to offset the adverse effects of international inflation and currency fluctuations. The sixth special session of the General Assembly itself was held at a time when similar attempts were being made. For the people of Iran in particular, such attempts are reminiscent of an era during which the late Mohammad Mossadegh was leading the people in a struggle to exercise their sovereign rights over their natural resources—an era in which international imperialism succeeded in suppressing the struggle of the oppressed people of Iran by resorting to the most vicious means and plots at its disposal.

28. The increase in the price of oil—the so-called energy crisis—is an immediate and logical effect of the present economic crisis. It is basically the result of the inefficiency of the international monetary system in containing undue currency fluctuations which are eroding the real value of the export earnings of the oil-producing countries. According to the *World Development Report, 1979*,⁴ despite the recent increases in current terms, the price of oil has continued to decline in real terms, eroded by global inflation and the devaluation of the United States dollar. The price of a barrel of crude oil in July 1979 was at a level about the same, in real terms, as in 1974, that is to say, less than \$US 8. Needless to say, although the price of oil was frozen for 18 months, the world economy did not indicate any sign of recovery. Furthermore, the world economy was faced with crises long before the so-called energy crisis of 1973. On the other hand, the present trend of oil consumption in the developed countries, which are using more than 80 per cent of the total world production, is not justifiable. Nevertheless, this trend has recently been aggravated by the stockpiling policies of those countries.

29. It is not in the interest of the international community to divert its attention from genuine world economic problems and the negotiations on the establishment of the New International Economic Order. It is for all countries, particularly the developed ones, to demonstrate their goodwill and determination to bring about meaningful international co-operation.

³ See document A/C.2/34/4, pp. 1-2. This document contains the complete text of the statement which appears in summary form in *Official Records of the General Assembly, Thirty-fourth Session, Second Committee, 4th meeting, paras. 20-34, and ibid., Second Committee, Sessional Fascicle, corrigendum.*

⁴ The World Bank (Washington, D.C., 1979).

30. In response to this quest and with a view to giving new impetus to the present stalemate in the Committee of the Whole, the Group of 77 has initiated the proposal for a new round of global negotiations. Now that the General Assembly is about to take a decision in order to launch the new round of global negotiations and its preparation, certain points are to be borne in mind.

31. At the outset, it has to be emphasized that the negotiations must be conducted on the basis and within the framework of the decisions taken at the sixth and seventh special sessions of the General Assembly. The main thrust of these decisions is the restructuring of the present anachronistic world economic system—a system which is based on the exploitation of the masses of the third-world countries and the plundering of their natural resources; a system which is based on an unjust international division of labour at the expense and suffering of the developing countries; a system in which the decision-making process on international financial and monetary issues is essentially under the control of the North; a system that has led to devastating international inflation and monetary instabilities which transfer the effects of the economic crisis to the developing countries.

32. The new round of global negotiations should be directed towards the solution of these fundamental problems and should be aimed at rectifying prevailing injustices and inequalities.

33. My country will spare no effort towards the fulfilment of these noble objectives. The goal of the Islamic Revolution of the people of Iran has been the realization of freedom, justice and equality. It is therefore only fitting for our people to lend their full support to the cause of creating an international economic order which would fully respond to the real needs and pressing problems of the developing countries by promoting justice and equality for all the oppressed peoples of the third world.

34. Mr. ANDERSON (Australia): I should like at the outset to express the Australian Government's appreciation to Mr. Stoltenberg for the report he has submitted to the General Assembly on the work of the Committee of the Whole. While the Committee's record of achievement may have been modest, this was in no way a reflection of the considerable effort which Mr. Stoltenberg invested in it. I should like him to know that we are aware of the extent of his efforts, particularly in preparing the ground for the Committee's meetings. This was very evident in respect of the second session, held in March of this year on food and agriculture, as well as the third session, held last September. There is surely a lesson to be learned from this. When we reflect on the problems of the crowded United Nations conference schedule on North-South issues, we are too often aware that meetings are held without adequate prior preparation.

35. We are also indebted to Mr. Stoltenberg for reminding us, as he did at the 35th meeting of the Committee of the Whole, held on 15 September, and again in his statement here last week, that the North-South dialogue cannot be advanced by a process which relies upon a juggling of words in order to give the appearance of agreement. We agree with him that it would be preferable to identify differences where they exist, to face them honestly and to look for practical, realistic solutions to them.

36. It is now proposed that the Committee of the Whole should assume a new responsibility, to prepare for a global round of negotiations on North-South issues to be launched at the special session of the General Assembly in 1980. This will be a new challenge. The Australian Government has considered this proposal carefully and, as the Australian Minister for Foreign Affairs said in his statement in the general debate on 1 October, we are prepared to accept this proposal in principle [16th meeting, para. 209]. We do so in the expectation that the preparatory work will be completed successfully, so that when the Committee of the Whole submits its report to the special session in 1980 there will be common agreement that the process of global negotiation may go ahead on a basis acceptable to all.
37. The discussions in the Committee of the Whole, acting as a preparatory committee, will inevitably be complex. We have no illusions on that score. The proposal now before us is, we recognize, still couched in rather general terms and there is a good deal of detail yet to be filled in. In this connexion, we have taken particular note of the statement made at the 31st meeting of the Committee of the Whole on 12 September by the then spokesman of the Group of 77, Ambassador Mestiri, that the developing countries will be willing to consider all proposals. We welcome the openness and flexibility shown by that statement. At the same time, since the proposal is an initiative of the developing countries, we must await further clarification from the Group of 77 of what they have in mind in putting forward the proposal for global negotiations. The statement made on 18 October by the representative of India [40th meeting] on behalf of the Group of 77 was helpful, but clearly there are major issues still to be clarified.
38. One point which I should emphasize in relation to the setting up of the modalities for global negotiations is that Australia will be looking to make practical progress on issues which we well know are complex. We believe—and here again I refer to a point made by my Foreign Minister in his earlier intervention in the plenary Assembly—that progress will inevitably come by stages and not necessarily in an interlocked fashion. We make this point, notwithstanding that the global negotiations are seen to involve interrelated issues. We must seek to move forward wherever we can. Some areas will be more susceptible to forward movement than others. We are also concerned that, in embarking on global negotiations on a wide range of interrelated issues, we should not hold up negotiations which are going forward on the same issues in other, more specialized forums. These other specialized forums should, as far as possible, be enabled to resolve issues which it is within their competence to do. Above all, we expect all participants to engage in the new process in a common effort where practical co-operation, mutual support and the spirit of compromise are our guiding principles.
39. Mr. RAKOTONAIVO (Madagascar) (*interpretation from French*): With the approach of the 1980 special session, consideration of the report of the Committee of the Whole Established under General Assembly Resolution 32/174 is of overriding importance. Indeed, that Committee was mandated by our Assembly to follow closely, before the opening of that session, the progress achieved towards the establishment of a new international economic order.
40. The task of that body, in which the third-world countries have placed so much hope, has become more and more complex at a time when the world is faced with a deep economic crisis and when the international community is going through a crucial stage in the field of international economic co-operation.
41. These considerations should lead us to focus our discussions on an evaluation of the results of the recent economic negotiations in the various international bodies. Such an analysis should allow us to determine the course of the Committee's work so as to enable it to provide the necessary impetus for the establishment of the new international economic order.
42. The year 1979 has witnessed many important negotiations. Unfortunately, we note the lack of any encouraging results. Indeed, very few of those negotiations yielded practical measures on the major problems of common interest.
43. With reference to the work of the Committee of the Whole, it will be remembered that we wasted the whole of last year in procedural discussions. This year, the Committee has discussed such important questions as the transfer of real resources to the developing countries, food problems and industrial development, but without making any substantial progress.
44. Generally speaking, the agreements reached on the first two issues brought nothing new to the already agreed common objectives in these fields. The developed countries can be expected to react negatively when it comes to translating these objectives into operational realities.
45. The proposals of the Group of 77 on special measures for the least advanced, the land-locked and the most seriously affected countries failed to result in an agreement because they advocated twice the volume of assistance from the developed countries for those categories of countries.
46. The recommendation on island developing countries was, however, adopted because it simply reiterated the terms of decisions that had already been taken previously.
47. The discussions on industrial development also failed to produce results. It is particularly regrettable that at the fifth session of UNCTAD the fundamental problems concerning appropriate measures to change structures could not be given all the attention they deserved. Trade and monetary questions suffered the same fate.
48. The work of the Preparatory Committee for the New International Development Strategy was also disappointing.
49. The Conference on Science and Technology for Development was able to adopt some decisions on financial and institutional matters.⁵ But it must be recognized that those decisions cover only a very few of the claims of the developing countries.
50. This brief balance-sheet is far from exhaustive but it leads us to make the following comments.
51. Certainly, differences in concept concerning the nature of the problems and the practical solutions thereof are obstacles to the formulation of a position that would be acceptable to all. We are none the less

⁵ See *Report of the United Nations Conference on Science and Technology for Development, Vienna, 20-31 August 1979* (United Nations publication, Sales No. E.79.I.21 and corrigenda).

convinced that attitudes towards the developing countries are, despite our repeated remarks, not only still outdated but run counter to the aims sought.

52. The efforts that are being made within the framework of the establishment of the new international economic order were initiated by the developing countries. They have met with the systematic and, indeed, fierce opposition of the wealthy countries, which have been obdurate in preserving the norms and terms of international economic trade that are profitable for them. They have defended the positions of their monopolies in the economies and foreign trade of young States.

53. It is clear that the strategic objective of the imperialist Powers amounts to giving way on problems of limited importance in order to avoid another open confrontation with the developing countries, of the kind that took place in 1973 and 1974 during the oil crisis.

54. In refusing seriously to engage in real negotiations, the developed countries seek to postpone reorganization and to reduce the efforts that are being made to achieve a fundamental change in structure. How often have we dwelled on the necessity for those changes that must be made in international economic relations? The Director-General for Development and International Economic Co-operation expatiated upon this in his recent statement of 1 October to the Second Committee.

55. It is worth recalling that the international economic system, as it now stands, is characterized by imbalance and by major distortions that are harmful to the interests of the developing countries.

56. In view of the persisting misguided and indeed outdated positions of our partners in the developed countries, we are constrained from one session to another to repeat the same remarks.

57. But we feel that they have not lost their relevance. Quite the contrary, we feel that the relevance of our efforts is increasing, particularly now, when they have to be concretized and removed from the general discussions which constantly tie up the bodies and organs of the United Nations system.

58. Resolutions and statements must promptly be translated into reality. It is important that decisions be implemented as quickly as possible.

59. While, rightly or wrongly, the developed countries content themselves with the precarious situation we have described, the countries of the third world continue to suffer the effects of the world economic crisis in a cumulative and tragic manner.

60. The President of the non-aligned movement recently had the opportunity from this podium [31st meeting] to describe the seriousness of all kinds of injustices endured by the third-world countries in the economic, monetary and financial spheres.

61. In view of the situation, the international community cannot remain indifferent. In this regard, in his report on the work of the Organization, the Secretary-General of the United Nations stated that:

“It is essential that all States should take urgent heed of the dangers of delay and reassess their posi-

tions in the light of their long-term interests and needs.” [See A/34/1, sect. V.]

He went on:

“A new impetus in North-South negotiations would do much to dispel the present climate of uncertainty and disenchantment.” [Ibid.]

62. The present critical state of the world economy and the need for co-operation and international justice require concerted international action. In order to be effective, that action must arise from a global view of the world economy and its machinery. We must strengthen the present machinery through which global negotiations on the establishment of a new international economic order have been achieved within the United Nations. The establishment of the Committee of the Whole accords with that aim.

63. In accordance with its mandate, the Committee of the Whole must define new guidelines and give the necessary impetus to see that negotiations are pursued and solutions are found to the many problems still left pending.

64. The interdependence of problems concerning trade, development financing and the international monetary system does not need to be demonstrated. It is increasingly clear that these problems cannot be dealt with in isolation. In particular, they can be resolved only if consideration is given to the related structural characteristics of national economies and international economic relations. This situation justifies the new proposal of the Group of 77 that a series of global negotiations should be undertaken within the framework of the special session. The Committee has recommended consideration of that proposal on a priority basis.

65. As is mentioned in the draft, the negotiations will cover matters of capital importance for development, including energy, so as to dispel any misconception that the developing countries do not give this problem the necessary attention.

66. However, we reject the idea that changes in oil prices are the essential cause of the slow-down in economic growth rates.

67. Moreover, we should stress the principle of universality contained in the proposal. On this point we should recall that lack of that principle was one of the things that made the Paris Conference on International Economic Co-operation difficult.

68. We therefore rely upon the effective and equal participation of all countries and all groups of countries without distinction as to economic and social system.

69. Measures must be geared to action and lead to practical guidelines. What we are calling for, within the framework of these negotiations, is no longer a mere statement of the need for change but new agreements, new arrangements that would bring about effective change.

70. Particular importance will have to be attached to the preparation of those negotiations, a task that we think should be entrusted to the Committee of the

Whole. Some have doubts as to the relationship that could be established between the new series of negotiations and the negotiations now under way in other international bodies. In this respect, it has been made clear that global negotiations should in no way hamper the progress of work in the competent bodies or organs of the United Nations in their respective spheres.

71. Other matters concerning the structure, the organization and the time-table for negotiations have already been raised. The Chairman of the Group of 77 has already had occasion to reply to some of those questions, which should be dealt with as a whole at this session of the General Assembly.

72. Whatever machinery may be established, the negotiations will continue to be fruitless so long as the developed countries do not demonstrate that they can change their positions. The crisis we are now experiencing should make the industrialized countries more aware of the potential offered by the development of the third world as an instrument for making the world economy healthier.

73. The appeal that we make in this context should not be regarded by our partners as an external constraint but, rather, as a positive response generating mutually satisfactory economic and social progress.

74. Those were the few comments my delegation wished to make to the General Assembly in regard to North-South co-operation.

75. But that co-operation cannot be anything more than a new form of perpetuation of the present system so long as we fail to regard South-South co-operation as an integral part of the process of international development. It must be noted unfortunately, that certain developed countries seem to disregard—or wish to disregard—the importance and scope of this new form of co-operation; that is evident from the fact that, during the fifth session of UNCTAD, they included this concept in the global development strategy.

76. Based on the principle of collective autonomy, co-operation among developing countries makes it possible to strengthen those countries' positions in trade and related activities and to obtain better results from international negotiations. This question has now gone beyond the stage of commitment in principle. Some initiatives were taken at the Buenos Aires Conference⁶ and the Arusha Programme for Collective Self-Reliance and Framework for Negotiations⁷ offers several possibilities for co-operation.

77. In a desire to make the provisions of such a programme operational, the President of the Democratic Republic of Madagascar submitted to the non-aligned countries at Havana specific proposals for the establishment of three solidarity funds, with the essential aim of promoting economic, monetary and financial co-operation among the non-aligned countries.

78. These funds would be financed from subscrip-

⁶ See Report of the United Nations Conference on Technical Co-operation among Developing Countries, Buenos Aires, 30 August-12 September 1978 (United Nations publication, Sales No. E.78. II.A.11 and corrigendum).

⁷ Adopted by the Fourth Ministerial Meeting of the Group of 77, held at Arusha from 12 to 16 February 1979.

tions by member countries in proportion to their gross national product and their reserves, from contributions by some member countries on the basis of their surpluses and from possible loans by international financial bodies and on the money markets.

79. The first would be a monetary fund which, by granting short-term and medium-term loans, would help the member countries to cover the deficits in their balance of payments caused mainly by oil imports. Other advantages would be that it would promote trade among the member countries and would act as an intermediary on behalf of the latter in the issuance of loans on the money markets. Thus, it would attempt to abolish restrictions on current payments.

80. The second fund would be called a development fund. It would assist the member countries to finance their investment plans and would help them in choosing or implementing these plans.

81. The third fund would be an institution for financing buffer stocks and stabilizing commodity prices. It would take action on the commodity markets as soon as prices went beyond a certain level, to be determined periodically.

82. These funds about which we are speaking will come into being sooner or later. These are examples of the kinds of co-operation which can be carried out in the South direction and which our partners in the North can use as a basis for gaining a better understanding of our needs and aspirations. Hence, they should not be regarded as alternatives. This is a challenge which we place before ourselves and the international community. It is a challenge to ourselves, to test our real capacities for self-development. It is a challenge to the international community in so far as such efforts will bring a new dimension to international co-operation and contribute effectively to the restructuring of international economic relations.

83. Mr. VALTASAARI (Finland): The General Assembly has before it a proposal submitted by the Group of 77 concerning global negotiations on international economic co-operation [A/34/34, part three, annex I]. This statement will be limited to that proposal.

84. The Government of Finland understands well the reasons, in the present economic situation, which have led the Group of 77 to introduce this proposal. In the view of my Government, the proposal is important and deserves careful consideration by the General Assembly at its plenary meetings.

85. When considering the proposal, Finland bases its views mainly on the following principles. First, the dialogue on the global economic issues is an inherent part of the international politics of today. Secondly, the proposal of the Group of 77 contains several elements which have in the past been supported by my Government in United Nations forums. For instance, we welcome the fact that the proposed negotiations will be open to all States which, consequently, will lead to strengthening the role of the United Nations. We also welcome the fact that the proposal seems to aim at dealing with all major issues of international economic co-operation, including the question of energy. Thirdly, we recognize with satisfaction that the proposal is not in-

tended to involve any interruption of work in other United Nations forums but, rather, to reinforce that work and draw upon it. Fourthly and finally, we continue to stress the importance of rapid progress in the preparations of the new international development strategy.

86. The proposal to initiate negotiations in specific areas, together with the preparations of the new international development strategy, is a comprehensive approach and reaffirms, in our view, the principle of interdependence of nations and of issues. It is the hope of my Government that these proposals will bring about the much-needed impetus as well as agreement on the many-faceted elements of the work on global economic issues.

87. As regards procedure, we have taken careful note of the statement by the Ambassador of India, Chairman of the Group of 77, in which he indicated that his Group considers the proposal important enough not to be rushed into a decision; instead, it requests that the necessary facilities be provided at the proper time, for the proposal's consideration in the plenary meetings of the General Assembly itself [40th meeting, para. 54]. We have also taken note of his view that the General Assembly should unequivocally endorse, in principle, the commitment of all nations to the global negotiations, as described in the proposal of the Group of 77 [*ibid*, para. 55].

88. My Government hopes that the international community will, during this session of the General Assembly, reach an understanding which would make it possible for the Committee of the Whole to begin effective preparations for the global round early next year. These preparations should make it possible for the special session of the General Assembly, to be held in 1980, to make a final decision on this important issue.

89. Mr. GADEL HAK (Egypt) (*interpretation from Arabic*): My country's delegation wishes first of all to point out that in this brief statement we do not intend to list the positions adopted by Egypt on international economic problems. My delegation has already done this in detail in its statement at the 12th meeting of the Second Committee on 10 October last. My main purpose in making my present statement is to express our full support for the statement made before this Assembly by the representative of India, Chairman of the Group of 77, on 18 October last and to emphasize the position of the Government of Egypt on certain matters raised in the report of the Committee of the Whole.

90. Everyone realizes that the purpose for which the Committee of the Whole was set up was essentially to help the General Assembly by monitoring the implementation of the resolutions and the preparations agreed upon in negotiations in the United Nations organs for the establishment of the new international economic order, to give impetus to the solution of the problems encountered in those negotiations and to encourage these solutions. It is clear from the report we have before us that in its three sessions the Committee of the Whole achieved only limited results. This is particularly disappointing since many States attached great importance to the work of the Committee of the Whole and had great hopes that it would make progress towards the solution of the problems submitted to it, particularly those facing the developing countries.

91. The reasons for the inadequacy of these results are clear to all and my delegation does not wish to take up the Assembly's valuable time by examining them in detail. But we wish to emphasize the need to profit from the lessons of the past so as to avoid a repetition of past errors. Despite the very limited results of the negotiations in the Committee of the Whole, it is clear that a more thorough understanding of the problems of the developing countries has emerged.

92. We are now on the threshold of a new development decade and we are beginning a new round of global negotiations in respect of which the Group of 77 has introduced a proposal now being considered by the General Assembly. The Group of 77 has sought to give new impetus to the policy as regards these issues, which include those of energy and of an effective contribution to the implementation of the strategy for the next United Nations development decade.

93. The Group of 77 has made it clear that the coming global negotiations are not and must not be a repetition of the negotiations at the Conference on International Economic Co-operation, held at Paris, but that specific agreements must be reached within a specific time-limit.

94. The proposal of the Group of 77 is a serious attempt by the Group to confront the grave problems facing the world today. This proposal must have the support of all States and the necessary climate and preparations must be provided for it. Furthermore, sincere intentions and political will, particularly on the part of the developed countries, are two essential conditions for the success of these negotiations.

95. Consideration of the question of future global negotiations should not cause us to lose sight of the need for an evaluation of the commitments already made by the developed countries as regards the developing countries, in accordance with the resolutions of the General Assembly at its sixth and seventh special sessions and those adopted in other international forums. The General Assembly approved the adoption of special measures for the benefit of developing countries with economic and geographical difficulties in the sphere of development financing, indebtedness, international trade and the transfer of technology, as well as other spheres of international economic co-operation. In this category of countries are the least developed countries, the most seriously disadvantaged countries, the landlocked developing countries and the island developing countries.

96. The conditions which gave rise to the establishment of these categories of developing countries have become more acute because of the continued international economic crisis and the aggravation of world inflation. We see first, the continued decline in *per capita* income in these countries and the decline in production; secondly, the sharp rise in the cost of imports compared to returns on exports; thirdly, the increase in debt-servicing costs as compared to export earnings; fourthly, the decline in foreign exchange reserves and the inability to finance their own development programmes. All this shows the persistence of the economic difficulties of these States and requires prompt implementation for the benefit of these categories of developing countries, of the programmes decided upon by the General Assembly which are considered to be an essential factor in the establishment of the new international economic order.

97. The problems of these countries are acute and urgent and the developed countries must respect their commitments in this respect.

98. At the present time, international economic relations are passing through a critical phase which highlights the urgent need for the international community to make structural changes in the economic relations between developed and developing countries on the basis of the principle of international interdependence and mutual assistance based on equality in sovereignty, equal opportunities and a fair distribution of the benefits of international trade and technological progress, within a framework of common understanding and interest.

99. Egypt is convinced of the need for continued dialogue, but it must be on a sound and serious basis, for the attainment of the objectives of the international community is impossible without the sincere efforts and the political commitment of all States, particularly the developed States.

100. Mr. McHENRY (United States): For over 30 years the United Nations has been a force for peace. It has been an obstacle to aggression and a pacifying presence in the midst of ancient conflicts. It has provided a place for private consultations which have enabled public solutions to be reached. It has offered a prestigious platform where national frustrations could be expressed, international hopes extolled, world opinion mobilized and global action undertaken.

101. The horrors of war have not been avoided during the lifetime of the United Nations. But in large part because of this institution the international community has survived intact through what has probably been the most volatile, dangerous and dynamic period in recorded history.

102. The mandate of the United Nations system, however, must and does range beyond the concerns of peace and security. It encompasses virtually all areas of human association, from the enhancement of human rights to the protection of our physical environment. In recent years, it has become the central focus of the international deliberations concerning economic relations between and among developing and developed nations. The question before us is whether the dialogue in the General Assembly, and elsewhere, is capable of being transformed into even more successful negotiations than are at present under way. The answer is neither clear nor simple, but in the debate in which we are now engaged both the question and the answer are crucial.

103. Why have global economic issues become a priority item on the international agenda? Because the economic interdependence of nations is a profound reality. The economic futures of our countries, whatever their economic systems, are inseparably linked—through trade, direct investments, public and private capital flows, technology, labour mobility and bilateral and multilateral institutions. We can be competitive; we can be supportive; but we cannot be destructive of one another's material objectives without hurting—maybe even destroying—ourselves.

104. I intend to be candid today—perhaps more so than diplomacy traditionally permits. I do so out of a strong personal commitment to the United Nations

system, to the needs and aspirations of the developing countries and to the many people on this planet—the poor, the sick, the hungry—who continue to look to this assembly of nations with hope and confidence. I am convinced that, if we define our objectives carefully, understand our limitations intelligently and speak to each other frankly, we can navigate this sea of economic distress successfully. But if some of us—and it applies to countries in all regional groups—choose the easy path of confrontation, we shall fail.

105. The United States will do its share to strengthen and reform the international economic system so that all nations have access to economic opportunity and to increasing prosperity in a framework of social justice.

106. To affect the direction of the international economy, all of us must work together. There was a time when the size of the United States economy was so overpowering that a decision by my Government alone could move the global economy in a new direction. That may have been true in 1950, when the United States accounted for 67 per cent of the world's industrial production, but that era is over—not because the United States has become poorer, but because the rest of the world has become richer. We sought this new relationship; we facilitated it; and we welcome it. It is no longer possible for one country, or for even a group of countries, to decide the direction of our international economy. It is now for all of us—the industrialized countries, the oil-producing countries, the developing countries, the socialist countries and whatever other subgroups may exist—to act as united nations in reordering the international economy and eliminating the worst aspects of global poverty before the end of this century.

107. We do not advance our common objectives by unending speeches on whether, how and when the New International Economic Order will occur. The institutional structure of today's economy is not the same as that created at Bretton Woods. Tomorrow it will be different—significantly different—from today. Whether we like it or not, the global economy is undergoing constant and accelerating change. A new order is arising before our eyes, and our task is to see to it that this order serves our common interest. This transformation will result from a combination of market forces, actions by Governments and the individual and collective efforts of our nations, our peoples, our entrepreneurs and our workers. As we guide and participate in this change, we must steadily pursue real progress and concrete results. We must be rigorous in our analysis and realistic in our expectations. We must not only talk; we must find a way to agree on how to move forward.

108. Our dialogue has been confused by the frequent insistence on a rigid division of the world into developed and developing nations. The fact is that there is a spectrum of development along which each nation occupies a specific space, from the poorest nations to the richest. Moreover, different parts of all countries occupy different parts of the spectrum. Some sectors of the developing countries now compete on a world-market scale. Some parts of the developed countries themselves are in urgent need of development. Our common task is to move all nations and all sectors towards the more developed end of the spectrum. Our institutions must have the flexible capacity to help all countries while fulfilling a basic obligation to provide the appropriate assistance to the poorer countries. The more developed

the country or sector, the greater its obligations towards making the entire system function.

109. In saying this, I am aware of the political reality that groups of countries have a need to maintain unity. My plea is simply that such legitimate coalitions should serve not as obstacles, but rather as catalysts which enhance our efforts to reach genuine consensus.

110. Too often, all of us fail to temper with realism our demands on others. In their just calls for assistance and investment, the developing countries should understand the restraints on other Governments because of economic austerity, rising unemployment and inflation and the need to marshal the support of public opinion and parliaments. Moreover, developing countries must recognize that the engine of growth in the countries of the Organization for Economic Co-operation and Development is the response of private initiative to economic incentives. If other countries want to use that engine, they must find ways consistent with their sovereignty to make their economies attractive to foreign investment.

111. By the same token, when insisting on economic reforms in developing countries, the developed nations should realize the acute social and political problems such reforms present, and the political difficulties those countries' leaders face in pressing these changes vigorously and consistently.

112. If effective joint action — not debating points — is our goal, let us not pretend that there has been no progress in reorganizing the global economic system. This is simply not so. There has been important progress. IMF has significantly expanded its facilities and made them more responsive to the needs of all members, particularly the developing countries. The creation of the trust fund, the extended finance facility and the supplementary financing facility and, most recently, the substantial liberalization of the compensatory finance facility are examples. The Fund has also agreed to consider a lengthening of the repayment terms under the extended finance facility and means of lowering the interest cost of the supplementary finance facility. The lending levels of bilateral and multilateral assistance programmes have been raised and negotiations for major replenishments of the World Bank and the regional banks have been — or are — nearing completion. Special attention is being devoted to innovative new national and international endeavours in energy exploration and development, and in science and technology development and transfer. International trade has been liberalized, most recently with the multilateral trade negotiations, and generalized preferences provided and expanded for developing countries. The International Fund for Agricultural Development was created with initial financing of \$1 billion. A common fund for commodities could be completed in the near future. Price stabilizing agreements have been reached on sugar, tin, coffee, rubber and work is under way on other commodities. It is important to recognize the progress that has been made, so that Governments, citizens and parliaments will be encouraged to work for more progress.

113. Despite the progress in international economic co-operation and development, the global economy is clearly in trouble. The industrialized countries face mounting inflation and unemployment, sharply declin-

ing growth rates, deteriorating trade accounts and intensifying protectionist pressures. The situation in most developing countries is also gloomy: development prospects impeded and often undermined by the exploding costs of energy and other imports, the slow growth of foreign markets for their exports, constraints on real aid levels, growing deficits and the growing uncertainty about the ability of the system to recycle petro-dollars equitably.

114. It is unproductive to be critical of the oil-exporting countries without understanding that their favoured circumstances are tempered by special problems. Some members of the Organization of Petroleum Exporting Countries [OPEC] themselves are poor. Some find that their financial bonanza is real only if the international economy is healthy. On the other hand, the oil-exporting nations have a major responsibility for ensuring the growth and stability of the global economic system, a responsibility that they cannot ignore in their production and pricing policies. The jolt to the international economy of inadequate oil production levels could be devastating to the oil-exporting nations as well as to the oil-consuming countries. Oil prices should reflect the diminishing nature of the resource, but also the unique role of oil for the health and prosperity of all nations.

115. Global economic conditions increasingly affect as well the centrally-planned economies. Their growing reliance on food, energy and manufactured imports and their increased borrowing from the international banking system link them tightly to the global economic system and to its fate.

116. And so, all of us must acknowledge that the economic destinies of our nations are tied together.

117. We must find mutually acceptable solutions to common problems.

118. Together we must find the means to end the tragic paradox whereby in the most prosperous era in human existence one fourth of the world's citizens live in abject poverty. We must rapidly complete a new food aid convention and encourage Governments to give urgent attention to adopting food sector strategies. We must act to prevent famine anywhere and at any time.

119. Together we must be sure that the growing deficits of countries can be managed in a way that strengthens the global economy.

120. Together we must intensify co-operative bilateral and multilateral efforts to ensure that the international community can achieve the goal of adequate health care for all of us by the year 2000. It is unacceptable that many of the earth's inhabitants do not have access to basic health care. The United States hopes many other countries will join in sponsoring a text for adoption by this General Assembly calling on all relevant United Nations organizations and programmes to give greater priority in their activities to health care and its improvement.

121. Together we must confront and overcome the energy crisis. We must have the imagination and courage to fashion international solutions to the energy problem based on a sharing of responsibilities and

benefits. We add our voice to those urging speed in the international community's consideration of this issue.

122. Together we must find innovative means for increasing literacy and ensuring education, fundamental ingredients in any viable development strategy.

123. And together we must begin implementation of the agreements reached at Vienna at the United Nations Conference on Science and Technology for Development.

124. The nations of the Group of 77 put forward for our consideration in the Committee of the Whole an important draft resolution suggesting a round of global and sustained negotiations on international economic cooperation for development. Mr. Vance, our Secretary of State has already stated in his speech before the General Assembly that "the United States would participate, in the Committee of the Whole Established under General Assembly Resolution 32/174, in consultations to decide on the most effective way of conducting such negotiations" [5th meeting, para 103].

125. Clearly, the Group of 77 has made a major contribution to this Assembly's deliberations.

126. In discussing this draft resolution, let me go back to my earlier theme—the difference between dialogue and negotiation, a difference clearly understood by the sponsors of this text. The air, and millions of pages of United Nations documents, have been filled by dialogue—a process the dictionary defines as "a conversation between two or more persons". These conversations have been useful, illuminating, sometimes brilliant, often dull, and too often unheard by the other participants. They can go on as long as the United Nations endures, and some cynics might argue that they will. But I understand this resolution to propose something else: negotiations, a process defined as "treating with another with a view to coming to terms".

127. If it is truly the sea of global negotiations we are to travel, then we must build a solid ship and navigate a course that offers all of us the prospect of a successful voyage. The Committee of the Whole is destined to be the shipyard, and the craftsmen in that institution will have an awesome responsibility. They will be entrusted with forging a consensus among all nations on the direction, procedures and scope of these negotiations, a consensus required for the proposed round to be successfully launched. They will certainly have to take account of the various negotiations already in progress and of the progress already achieved. They must create an environment for their discussions that emphasizes over and over again the global aspect of the proposed negotiations and the global responsibility for our objectives. I am not suggesting that any of us can or would forget our geographical, political or economic identities, but I am urging that we embrace a larger self, that we listen as well as talk, that we welcome the opportunity to be more than what we have been—each of us for each of us. The possibilities of success will depend in important measure on avoiding recrimination. I have never been in a successful negotiation which began with one party calling the other selfish, destructive, arrogant, ignorant, lazy or pointless. If that is the sport intended, let us stay in a dialogue where new participants in the conversation can forget what was said or tear out a page of the record

without anyone caring. But if we are serious about negotiations, let us be serious and respectful of one another.

128. I read the draft resolution as saying that global negotiations will not duplicate negotiations going on elsewhere in the United Nations system. Rather our intention is to reinforce and to draw upon those ongoing processes. That makes sense, considering the limitations of time and resources that face us. Which of our peoples would forgive us if, in the face of crisis, we carelessly allowed duplication of negotiations already going on elsewhere in the United Nations system? With the possible exception of energy, the issues which have been suggested for global negotiation do not need new forums or organizations; our predecessors have done a good engineering job in building enough structures where any possible discussion can take place.

129. Those charged with planning these negotiations must help themselves to helpful schedules. By helpful I mean precise enough to encourage decision, but not so difficult that they cannot be met, and thereby detract from the seriousness of purpose.

130. Let us leave no doubt that all countries will have the right to participate in these negotiations. At the same time, all of us must be prepared to examine such organizational devices as limited working groups, in order to facilitate our work.

131. The major issues enumerated in the draft resolution can certainly be interrelated, but clearly they are also entitled to different priorities and different timetables of progress. In a serious negotiation, the different parties can be expected to use their negotiating assets to maximum advantage, and in that sense I have always understood the various attempts to link the apples and oranges of past negotiating efforts. Sometimes this is effective, or at least is worth the effort, but too often the unhappy result is that linkage leads to stalemate. We should not be so ambitious as to believe that if these negotiations take place they will solve all our problems. If we are seeking agreement, we should be very careful about conditioning progress in one area upon equivalent progress in another. Linkage may be good for sausage-makers, but it has rarely helped progress in substantive negotiations where political pressures are an important element.

132. As has already been said in this Assembly: "Defining the problem constitutes a substantial part of the solution". Those words should be engraved on the door of the meeting-room of the Committee of the Whole if negotiations in the spirit of the text presented by the Group of 77 are to be successful.

133. If this Assembly envisages negotiations, and not just a continuation of the present dialogue, then all participants should be expected to give as well as to take, to offer as well as to demand, to suggest as well as to criticize and to compromise instead of censoring.

134. The United Nations has shown that it can be a successful negotiating forum for global economic issues. The Common Fund is an example, although important work remains to be done before it can prove its possibilities. What we have learned in this multilateral process is clear: the issues must be clearly defined;

substantive experts who know the problem areas must be important contributors to the process; those who conduct the negotiations must have a special talent to see the faint sparks of possible agreement and to fan them gently into flame; the strength of any agreement in these forums rests upon consensus, and the good will and political will of the nations of the world have shown that consensus is available for all important decisions in significant negotiations. And one further lesson all of us have learned: we will not always agree. That is the nature of multilateral life, and we should understand it. We can disagree without acrimony. We can disagree and even understand one another. But the task that the resolution calling for global negotiations gives to us, is to find areas where our disagreements can be resolved, where our hopes can be made realities and where we can make progress together.

135. President Carter has said: "We need to share responsibility for solving problems and not to divide the blame for ignoring the problems." That is the challenge for all of us, and a challenge the United States enthusiastically welcomes.

136. Mr. AL-TAJIR (United Arab Emirates) (*interpretation from Arabic*): We are now considering the item relating to the report of the Committee of the Whole Established under General Assembly Resolution 32/174. The work of that Committee is devoted to international economic co-operation for development. My Government wishes to express at the outset, its appreciation to Mr. Stoltenberg, Chairman of the Committee, because of the way in which he has so patiently and wisely conducted the business of that Committee throughout the year so as to reach solutions acceptable to all parties concerned.

137. Owing to the Chairman's competence, some progress has been made concerning measures on international food problems and agricultural development, as well as in certain aspects of the transfer of resources in real terms to the developing countries. We also stress the efforts made to set up time-tables for negotiations, but we must acknowledge that there has been disappointment concerning the solution of other problems. This disappointment is greater than in the past, despite the appeal and proposals made by the Group of 77, which constitute an appropriate framework for constructive dialogue to remedy the disorder currently prevailing in the international economic order as it now stands and to establish a new international economic order based on law and justice and ensuring international peace and security. However, these proposals have met with the obduracy of a number of industrialized countries, which are far from responding to the challenge and which lack political will. This has meant that there has been a standstill in negotiations in various fields, particularly concerning the implementation of the Lima Declaration and Plan of Action on Industrial Development and Co-operation⁸ and strengthening of the industrial capacity of developing countries; the solution of special urgent problems which confront the least developed, landlocked and island developing countries and the most seriously affected countries; the problems concerning trade flows, protectionism and monetary and financial problems; the attempts to prize open the grip of the transnational corporations on other countries'

resources; and the violation of the principle of sovereignty over natural resources.

138. The failure of the North-South dialogue has brought about a worsening in economic problems. The international community must begin a further stage of negotiations under United Nations auspices. We feel it necessary for the Committee of the Whole to continue its work and prepare for the 1980 special session on the basis of full participation by all countries with the aim of achieving results on the basis of solidarity among States, so as to establish security and stability in the economic sphere.

139. We are convinced that the proposal of the Ministers for Foreign Affairs of the Group of 77 concerning economic negotiations at the international level, to be held within the framework of the special session in 1980, provides a practical framework for equal and definitive negotiations within the United Nations system. That proposal will result in a thorough discussion of the main problems, of which the most important are raw materials, energy, trade, development, and financial and monetary problems. It will also result in the definition of the objectives of the international development strategy for the third United Nations Development Decade in a way that will be compatible with the other negotiations going on in United Nations bodies.

140. The United Arab Emirates, a developing country and a member of the non-aligned movement, recognizes its responsibilities with regard to the international community, particularly the developing countries. It is ready to take part in any collective measure to enhance the concept of international economic co-operation, as it is convinced that co-operation is the essential foundation for the establishment of a world economy based on law, justice and equity, and that a new economic order can only be achieved through serious and constructive negotiations.

Mr. Ibrahim (Ethiopia), Vice-President, took the Chair.

141. Mr. BISHARA (Kuwait): We have reached the state of action after years of debate and negotiations. The need for action is now crystal clear and the world cannot afford yet another delay in translating decisions into actions and words into deeds.

142. Since the Sixth summit Conference of non-aligned countries, held at Havana, serious talks have taken place with a view to reaching a consensus on global economic issues. The major stride made recently in Havana was the agreement on the inclusion of the issue of energy; that was done with the participation of my delegation. Hence the Group of 77 submitted a draft resolution [A/34/34, part three, annex I] which contains all the elements that beset the world economy.

143. We have always opposed the singling out of the issue of energy for discussion, but we also support the call for discussing all issues, including energy, within a comprehensive approach to all the problems of the world. Our strategy is to confront issues on a global basis; our aim is to achieve a comprehensive reform of the international monetary system so as to have a system that cannot be disturbed by developments in the price of

⁸ See document A/10112, chap. IV.

a single commodity. The fluctuations in the rates of exchange, the world-wide inflation and the erosion of the purchasing power of the dollar have weakened assets and added to the already overburdened economies of the developing countries.

144. The Group of 77 has adopted a new and, no doubt, pragmatic approach to the global negotiations. There is no rhyme or reason in expecting a country like my own to continue sacrificing valuable assets simply to satisfy the insatiable demand for energy of the developed countries, and primarily of the United States. We in Kuwait support all measures designed to economize on energy and for the reduction of consumption. Our predicament arises from the fact that we are called upon to produce more oil than our immediate financial needs require. We do so primarily to satisfy world demand, because we are aware of our international responsibility and moral obligation. But we cannot continue to underwrite the policy of over-consumption or stockpiling by the industrial countries at the expense of our future generations.

145. In his statement at the 13th meeting of the Interim Committee of the Board of Governors of IMF, held in Belgrade on 1 October last, the Secretary-General of OPEC said:

"The price of oil and its present supply by the OPEC countries are no longer the relevant issues. The pertinent issue is the extent to which the major industrial consuming countries are successful in controlling the demand side of the energy equation, namely, in the oil supply/demand equation in its three forms of demand: actual consumption, replenishment of existing stocks, and stockpiling for strategic purposes.

"The oil market moved from a period of so-called glut and over-satisfaction in 1977 and early 1978 to a period of tightness in late 1978 and early 1979, despite the fact that OPEC production in the first half of 1979 actually exceeded the production in the same period in 1978, by an equivalent of 1.7 million barrels per day. Even during the first two months of this year, with the stoppage of Iranian exports, OPEC production exceeded that of the same months of 1978 by about 1 million barrels daily. These are among a host of indicators that lead us to believe that the shortages of 1979 were fictitious ones, created by stock manipulations on the part of the industrial nations."

146. The OPEC countries have taken the initiative in guaranteeing the oil requirements of other developing countries and ensuring that they are not overcharged by traders and oil companies.

147. The crux of the matter is now how to cut the over-consumption of energy by the industrial countries. There is a lot of waste and almost over-extravagance in the employment of energy, as well as an unnecessary scramble to stockpile. It is wrong to expect the oil-producing countries to provide energy in quantities that adversely affect their national interests. Some of them, such as my own country, depend entirely on oil for survival, and the present generation is duty-bound to follow a policy that guarantees continuity for future generations.

148. Much has been said about the recycling of petrodollars. It serves no purpose to dodge the issue when the survival of man is at stake.

149. Our policy in Kuwait is to diversify our sources of income and investment. But investment cannot take place in a vacuum. The right atmosphere has to be established and incentives must be offered. No one should expect us to invest in a land beclouded by uncertainty. There must be fair guarantees for the security of investment. Otherwise, our endeavours will amount to an exercise in futility. At Havana, the non-aligned countries endorsed this logic; so did the Group of 77. What is needed now is that we should embark on the initiation of steps that translate this understanding into action.

150. It is incumbent upon those who are able to do so to assist the developing countries in their programmes for economic progress. Kuwait is second to none in this field. We are pioneers in establishing national funds for economic assistance to developing countries. We are also a major contributor to the regional funds for economic assistance. The Financial Committee of OPEC just concluded its meetings at Vienna, at which it decided to increase the capital of the OPEC Fund for the assistance of developing countries.

151. The total assistance of OPEC donors to developing countries, as a percentage of their own gross national product, rose from 0.69 per cent to 2.01 per cent over the period of 1972-1977, while that of the Development Assistance Committee of the Organisation for Economic Co-operation and Development actually fell from 0.33 per cent to 0.32 per cent.

152. The North-South dialogue that took place at Paris failed because the political will needed for restructuring the world economy was absent. Some of the industrial countries thought that oil would become cheaper and that therefore there was no need for a serious dialogue. Subsequent developments showed how mistaken they were. The adoption of the policy of palliatives, which does not confront the real issue, has failed, because the need is not for palliatives but for a fundamental long-term remedy. While the developing countries have suffered immensely from this short-term approach, industrial countries, too, have not escaped its impact. In this respect, one should refer to the policy of protectionism in trade with barriers against the exports of the developing countries. That policy has brought about an unjustified decline in the foreign earnings of the developing countries.

153. The Committee of the Whole, which was established in the wake of the failure of the Paris talks, has not been successful in formulating practical measures for the restructuring of the global economy. We understand the complexity of the issues, but we also believe that there is no justification whatsoever for failure to adopt immediate measures to relieve the problem of the debt of developing countries. This issue is too serious and too grave to be shoved aside for future negotiations. The developing countries tried, among other things, to draw the attention of the Committee of the Whole to the serious situation of the land-locked, the least developed of the developing countries and the island developing countries, but they could not get an agreement on measures to alleviate those problems. That is why it is important now to discuss the global

negotiations in the plenary meetings of the General Assembly, which could provide the political input and impetus needed for progress in these negotiations.

154. The responsibility of the General Assembly is a formidable one. There are five problems which should be seriously tackled and confronted in the future negotiations or dialogue: first, abolition of discriminatory and restrictive commercial policies; secondly, a guarantee of the stabilization at just levels of prices of raw materials exported by developing countries; thirdly, support of the process of economic development in developing countries and the facilitation of the process of transferring modern technology to those countries at a fair price; fourthly, reconsideration of the structure of the debts to the developed countries and reduction of the burdens of servicing and repaying these debts; finally, the facilitation of the flow of capital to developing countries under conditions which are far from being exploitative.

155. The General Assembly, therefore, is considering a serious matter in which success or failure will affect adversely or favourably every country, if not every individual. We must approach it with determination to ensure its success.

156. Mr. d'ABZAC (Chad) (*interpretation from French*): Allow me, first of all, to pay a well-deserved tribute to the Chairman of the Committee of the Whole, Mr. Stoltenberg, whose common sense, wisdom and indefatigable efforts have averted a failure of the negotiations within that Committee.

157. Nevertheless, the Committee of the Whole was unable to fully carry out its mandate to give impetus to the North-South dialogue for the preparation of a new international economic order because of the reluctance of some of the negotiators. Although we must recognize that there were some appreciable results, notably in the transfer of real resources to the developing countries and in food matters and agricultural development, we should have liked the dialogue to be a genuine one, leading, in a spirit of justice and equity, to positive results regarding the whole complex of problems with which we are concerned. But, as was correctly observed by the Secretary-General in his annual report on the work of the Organization [A/34/1] and by the Director-General for Development and International Economic Co-operation in his statement at the 4th meeting of the Second Committee, the negotiations are getting increasingly bogged down; instead of making progress, they unfortunately tend to give rise to tensions and conflicts which, we fear—if this attitude continues—could lead to the confrontation which no one wants.

158. As we never fail to mention, the essential objective of our discussions is to master the elements that have challenged the current economic order and to provide this order with the necessary corrections so as to enable all countries—developed and developing alike—to participate in it equitably and fully.

159. Despite their lack of enthusiasm during discussions in the Committee of the Whole and at all other major meetings of 1979, the developed countries are nevertheless still ready to pursue the talks in the hope that reason will prevail over obstinacy.

160. Since the sixth special session of the General

Assembly, the international community has had many opportunities to put an end to the prevailing world-wide economic disorder, but progress so far has been insignificant.

161. The developing countries continue to endure helplessly the hardships of inflation and of the deterioration of the terms of trade, which impose great strains on their peoples. It is not our intention here to accuse any group of countries that obstinately impedes any change in world economic relations, but rather to indicate that each country should take seriously into account the interdependence of all the nations of the world.

162. It is, consequently, in the interests of the developed countries themselves to further the growth of the developing countries so that the latter may find a longterm solution to their own problems. At the same time, if conditions so justify, the developing countries should take into account the difficulties encountered by the developed countries. The notion of interdependence, if perceived objectively, should make possible a global meeting of minds among all countries.

163. Therefore, in order to avoid repetition of past errors, we favour global negotiations that are action-oriented and address the whole range of thorny problems confronting the international community—raw materials, energy problems, trade exchanges, monetary problems and the approach to development of the developing countries—and we hope that the draft resolution presented by the Group of 77 will be adopted by the General Assembly.

164. We should like to draw the Assembly's attention to the special problems of the least developed countries — the land-locked countries, the island countries, the countries of the Sudano-Sahelian region—and to point out that those countries are not yet benefiting as they should from the special measures that have been adopted in their interest. For the least developed countries, massive financial and technical assistance from the international community is indispensable for the rehabilitation of their ravaged economies, which have suffered more severely than other economies as a result of the world economic crisis. For the land-locked countries, it is highly regrettable that the Special Fund for Land-locked Developing Countries has thus far not acquired the necessary financial resources to enable it to be operational.

165. The persistence of the drought in the countries of the Sudano-Sahelian region has inflicted unbearable hardship upon the populations of the area at a time when the solidarity of the peoples of the world should make possible the substantial improvement of their living conditions.

166. For that group of countries it is important that more precise commitments to development aid should be made during the coming negotiations, if the General Assembly does not wish to hold a special session devoted to the rehabilitation of those countries.

167. In August last, at Vienna, the United Nations Conference on Science and Technology for Develop-

ment achieved what were from our point of view results that, though inadequate, were encouraging for the pursuit of future negotiations.

168. The recommendations contained in the Vienna Programme of Action on Science and Technology for Development⁹ adopted by the Conference should receive special attention and the reservations of certain countries or groups of countries should be withdrawn. This Programme of Action should be implemented urgently so that conditions conducive to the transfer of technology to the developing countries and the improvement of the means available to them in the field of scientific and technical research should make it possible, without further delay, to use science and technology for purposes of development.

169. In conclusion, I would emphasize that the international community has been given a further chance for negotiations, which we hope will be frank and fruitful, by the proposal that would transform the Committee of the Whole into a preparatory committee for the special session of the General Assembly in 1980. The economic prospects for the future of mankind are gloomy indeed. The Member States of the United Nations should show wisdom and enter into firm commitments during the preparatory work so that the forthcoming special session will result in success that will be of benefit to all.

170. Mr. OBEIDAT (Jordan) (*interpretation from Arabic*): Peace and world prosperity are closely linked to the degree of economic and social progress and advancement. If peace is indivisible, so is the effort to eliminate poverty, disease and illiteracy in a world which must not be divided against itself.

171. The experience of the developed countries, whether in their relations with each other or in the framework of their community, has taught us that selfish and short-sighted policies led the world into an impasse at the beginning of the 1930s.

172. We must recognize that there is no magic remedy that will bring about a new and just economic system. The North-South dialogue has not been able to overcome the obstacles, which must be overcome by sincere concerted efforts.

173. If the problem is that of increasing production, with more just distribution, we must find a solution to this problem in the interests of mankind as a whole. A new international economic order based on principles of justice is not only in the interest of the developing countries but also in that of the developed countries.

174. The world has a real need for radical, long-term solutions, not selfish provisional palliatives.

175. We hope that the Group of 77, of which Jordan is a member and which has agreed to prepare the strategy for the special session on the third development decade, will emphasize that the participation of the entire world, in terms of producers and consumers of goods and services, is not only a humanitarian matter dictated by

justice, but is of extreme importance because it is the only road that leads to the improvement of the conditions of life, which is a common objective of the developed as well as the developing countries.

176. The Final Declaration of the Sixth Conference of Heads of State or Government of Non-Aligned Countries, held at Havana, emphasized the fact that economic problems had become more complex than they had been at the Fifth Summit Conference.

177. The gap between the developed and the developing countries has widened, quite apart from the stalemate in negotiations on the establishment of a new international economic order. The Conference drew attention to the fact that the developed States had followed a selfish policy in dealing with economic problems, which had resulted automatically in immediate adverse consequences for the developing countries through international trade and monetary and financial relations.

178. As the Assembly is aware, Jordan is not an oil-producing country and the rise in the price of energy affects it in just the same way as it affects other countries which are not oil-producers. But there are many goods in the production of which oil plays a part. Their cost also has increased sharply and there are those who blame that on the increase in the price of oil.

179. On the other hand, many agree with me that a barrel of oil, which now costs \$18, will sell, after conversion into fertilizer, chemicals, plastic, clothes and other goods, at a hundred times that price. Who pays the price? The developing countries, of course.

180. The rise in price of a single article is not the cause of the present economic situation. But the victims have been the countries that produce only that article or only one article.

181. In the establishment of a new international economic order, account must be taken of all articles and not of one article only. The Buenos Aires Plan of Action,¹⁰ adopted at the United Nations Conference on Technical Co-operation among Developing Countries, in which the Crown prince of the Hashemite Kingdom of Jordan participated, stressed the urgent need to establish regional centres for technological research and institutions for the transfer of technological knowledge from the developed to the developing countries. The Crown prince at that conference also stressed¹¹ the problems of the "brain drain" whose aim is to hinder the establishment of centres for the transfer of technology. We hope that special attention will be paid to these two issues at the special session in 1980.

182. The establishment of a healthy new international economic order cannot be achieved so long as there is confrontation between the "haves" and the "have-nots". It can be attained only through a constructive and fruitful dialogue, taking into account the

⁹ Report of the United Nations Conference on Science and Technology for Development, Vienna, 20-31 August 1979 (United Nations publication, Sales No. E.79.I.21 and corrigenda), chap. VII.

¹⁰ Report of the United Nations Conference on Technical Co-operation among Developing Countries, Buenos Aires, 30 August-12 September 1978 (United Nations publication, Sales No. E.78.II.A.11 and corrigendum), part three, chap. I.

¹¹ *Ibid.*, annex III.

common interests of those concerned and the principles of justice.

183. Thus, the developed countries are asked to show greater flexibility and better understanding and to display a more elevated manner to deal properly with the present crises.

184. The working groups required to draft the new economic strategy must be pragmatic and must call on the developing countries to make available to experts from the Group of 77 the objectives, priorities and needs of their development plans. Thus, the international community will be able to give priority to the implementation of those programmes.

185. I wish to stress that the assistance offered by the developed to the developing countries has not gone beyond 0.13 per cent of their gross national product. At the same time, I should like to recall that Mr. Paul Hoffman, former director of the Marshall Plan and former Administrator of UNDP, said that American assistance was merely an auxiliary factor and that the miracle in Europe was achieved by the European peoples which did the real work of reconstruction in their countries.

186. As His Majesty King Hussein said in the general debate, on 25 September 1979:

“We are for an honest and a fruitful dialogue between the South and the North, between the industrialized world and the less fortunate countries which are seeking to achieve comparable progress. We are for the new international economic order in all its manifestations: equitable interaction among all nations; a new basis for international trade; the transfer of resources from developed to developing countries; the implantation of technology in the developing countries where it is most needed; the effective supply of food to the poorer countries and the wherewithal to produce more of their own food; the dissemination of knowledge and education; the effective solution of the problem of housing and clothing; the provision of medical care; and the promotion of individual dignity. We are for viewing the entire world as an indivisible unit with regard to resources, aspirations, peace and the solution of problems. We are for placing the resources of humanity at the service of progress and enlightenment for all of mankind.” [7th meeting, para. 15.]

187. Mr. THUNBORG (Sweden): This is one of our last economic debates in the General Assembly in the 1970s. It is reasonable to look at the subject of this discussion in the perspective of past experience as well as of future expectations. The important proposal by the Group of 77 for global negotiations relating to international economic co-operation for development has to be considered as a part of our over-all economic environment. There has to be a conscious effort on the part of all countries to solve what are, in fact, common problems.

188. As the 1970s have passed, the traditional objectives of economic policy—growth, full employment, internal and external equilibrium—have become more and more difficult to attain. The developed market

economies face sluggish growth, inflation that is far too high and severe unemployment. Abruptly increased oil prices have complicated the problems. But it is too easy to try to explain our present difficulties by referring only to the price of oil. Many problems were already present before 1973.

189. We in the developed countries have to understand that our fate and our future are unavoidably linked with those of the developing countries. A New International Economic Order is being born under the pressure of events. The interdependence of nations makes work on the new international development strategy for the 1980s particularly important. We need the strategy as the framework for our co-operation, a strategy that lays down the goals and objectives and the commitment of our efforts to improve the economic and social development of the developing countries.

190. All Governments represented here have one fundamental commitment—namely, to improve the living conditions of their peoples. To make that possible we need a stable and well-functioning international economic system. This is our overriding common interest, which should be the basis and the framework of a global negotiation.

191. Let me here comment on only two of the central subjects which will be on the agenda for the global negotiations—energy and the transfer of resources. This should, however, not be construed as a wish to limit the over-all scope of global negotiations to these areas only.

192. First, let me deal with the subject of energy. I do not think there is anyone today who is not aware of the importance of adequate and stable energy supplies for economic and social development. I think that there are very few who do not recognize the formidable long-term problems that all countries confront in the energy field in attempting to avoid a situation where the cost and the availability of energy become a constraint on economic growth.

193. Energy is an area where international co-operation is imperative. Therefore, we welcome the fact that energy has been proposed as a major topic for the global round of negotiations. The issue of energy has been dealt with by many speakers in the general debate. The President of Mexico made an interesting statement on this issue [11th meeting] and drew our attention to several problems we are facing in this field.

194. What has struck us in looking at statements about the world's energy future by representatives of industrialized and developing countries, oil-producing as well as non-oil-producing, is the basic agreement about the global nature of the problem and about many of the policies that will have to be adopted.

195. All countries share the responsibility for ensuring a reasonable balance between energy supply and demand. A particular responsibility rests with the industrialized countries, which are large consumers of imported oil and have a large potential for savings. In recognition of this fact, many industrialized countries have considerably strengthened their energy conservation and development policies in recent years.

196. I hope it will be possible to reach a common understanding about our long-term energy problems and about measures to promote energy conservation and development, taking into account the interests of all countries. I hope it will be possible to reduce uncertainty and improve predictability for all countries as far as this crucial sector is concerned. I also hope that it will be possible to reach agreement on specific measures aimed at solving the energy problems of the oil-importing developing countries. Finally, I hope we will be able to find a realistic and effective way of involving the United Nations in this work.
197. Secondly, my delegation has elaborated on the question of transfer of resources in its statement in the general debate of the Second Committee.¹² Let me just briefly note that transfer of resources in the form of assistance plays a crucial role in the development programmes of the poorest countries. Middle-income countries, to maintain a reasonable growth momentum in the longer term, will depend on access to development finance, with a longer maturity structure than hitherto on private commercial loans. Renewed efforts and fresh initiatives in this regard are needed.
198. The resolution adopted at the fifth session of UNCTAD on the transfer of real resources to the developing countries concerning "massive transfer of resources,"¹³ could form a basis for new action-oriented initiatives to accelerate development in developing countries and help stimulate global economic activity in a longer-term perspective.
199. The high-level meetings of IMF and the World Bank held at Belgrade at the beginning of this month, confirmed that international monetary issues now concern all nations. On that occasion, the Group of 77 presented a programme of action on international monetary reform to the Development Committee. In our view, the Bretton Woods institutions are the appropriate bodies for discussions on monetary matters to take place. The proposals will now be further considered, and it is too early to express views on their substance. But under any circumstances, the discussions in the Belgrade meetings and their follow-up will have a bearing on our present deliberations in the United Nations.
200. Considering the great importance of transfer of resources and technology, it would seem fruitful further to explore the positive potentials of direct private investment while at the same time taking care to mitigate their negative effects. The work on a code of conduct for transnational corporations could bring about a more stable framework for international co-operation in this field.
201. On these as well as other substantive issues, it might be easy to point to areas for action. We should however not underestimate the difficulties involved in dealing with them in negotiations of this kind. This applies as well to a number of procedural points.
202. A global round will not produce immediate remedies to all pressing problems. This may apply both to immediate problems of energy supply and to the serious threat posed to the development efforts of many developing countries by their deteriorating balance-of-payments situation. While a round of global negotiations should eventually contribute also to the long-term solutions to such problems, it may well be less than realistic to expect that the negotiations will bring immediate remedies to all of them.
203. The preparatory stage should result in a set of realistic conditions to govern the new round and to find directions which offer the most promising hope of a fruitful outcome. This means that we have to be selective in our choice of agenda items, avoid duplication, use existing United Nations forums to the greatest extent possible and adopt efficient procedures.
204. In setting priorities, we should keep in mind that there should be prospects for all parties to gain something in negotiations based on the principle of mutual long-term interests within the framework of a New International Economic Order.
205. Every effort must be made to avoid a global round duplicating or interfering to the detriment of ongoing negotiations within the United Nations system. Such negotiations in other forums should instead be promoted and facilitated by the global round, as is stressed in the draft resolution presented by the Group of 77 to the Committee of the Whole.
206. The new negotiations should as far as possible be handled in existing organs of the United Nations. To the extent possible, we should have a decentralized arrangement for the discussions. Energy in particular will, of course, require special arrangements. In our view, the Committee of the Whole can play a central role in the negotiations and the effective preparations for them.
207. Other questions which need to be discussed and agreed upon are time-frames and procedures. The calendar for economic and social meetings in the United Nations has long since passed the handling capacity of Member States and of secretariats. In fact, I even believe that the combined effect of an increasing number of meetings and less efficient procedures has been counter-productive in many instances. Let us therefore approach a new round with a new sense of urgency and responsibility.
208. The proposal submitted by the Group of 77 to the Committee of the Whole recommended that the negotiations in a new round should proceed simultaneously on the various issues. In our view, this method will have to be handled in a flexible way in order to avoid linkages that could unnecessarily jeopardize the over-all benefits to be derived from a new global round.
209. It has been proposed that the final recommendations on the holding of a global round should be submitted to the special session of the General Assembly. As the preparatory stage will play a very important role, it

¹² See *Official Records of the General Assembly, Thirty-fourth Session, Second Committee*, 17th meeting, paras. 8-21 and *ibid.*, *Second Committee, Sessional Fascicle*, corrigendum.

¹³ *Proceedings of the United Nations Conference on Trade and Development, Fifth Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A, resolution 129 (V), paras. 19-20.

would seem realistic to hold that special session in the autumn of 1980.

210. It is natural that this proposed new round has been compared to the Conference on International Economic Co-operation. A well-placed observer from a developing country characterized the Conference exercise as the end of a beginning. He also concluded that, in order to produce practicable results, future dialogues

required a far stronger political will, a greater co-operative spirit, more profound mutual trust, better negotiating skills, more vigorous leadership and more stark realism than were shown in that Conference. This should be borne in mind.

The meeting rose at 5.40 p.m.