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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. MATHESON (Guyana): The debates in both the Second Committee and the General Assembly have highlighted the importance of the economic crisis which is now afflicting the international community. The measures which have been undertaken so far have failed to overcome the crisis, which is in fact worsening. Some of the principal causes of the persistent problems which comprise the crisis are the structural maladjustments and disequilibria in international economic relations. This fact was emphasized in the Final Declaration of the Sixth Conference of Heads of State or Government of Non-Aligned Countries, held at Havana early in September this year [see A/34/542, *annex*]. The resolution of structural problems cannot be adequately achieved by incremental policies. A comprehensive approach is required to remedy situations which are becoming increasingly complex and interrelated.

2. It is the contention of the developing countries that the comprehensive solution demanded justifies the establishment of a New International Economic Order. It was in recognition of this approach that the Declaration and Programme of Action on the Establishment of a New International Economic Order were adopted in May 1974 [resolutions 3201 (S-VI) and 3202 (S-VI)]. Since then, five years have passed and negotiations on the implementation of the New International Economic Order have not been satisfactory.

3. The Committee of the Whole was established with the objective of stimulating the negotiations on a New International Economic Order. The discussions in the

Committee of the Whole have made a limited contribution, but there remains a need to do a great deal more. It is in the context of achieving more, of improving the present unhealthy situation of the global economy, that we must view the draft resolution submitted by the Group of 77, calling for global negotiations relating to international economic co-operation for development [see A/34/34, *part three, annex I*]. The comprehensive solution which is required to remedy the economic crisis can be facilitated only by global negotiations.

4. We should take a look at the work of the Committee of the Whole to see what progress has been made so far. At its resumed first session, held in January this year, some agreement was achieved on the issue of transfer of real resources to developing countries. In the agreed conclusions of the Committee [*ibid.*, *part one, para. 13*] is an acknowledgement that there should be a global approach to the transfer of resources encompassing such areas as official development assistance, trade and flows of private capital and investment.

5. It is to be noted that the Committee recommended that the transfer of resources should be supportive of progress towards the establishment of a New International Economic Order based on equity, sovereign equality, interdependence, common interest and co-operation among all States. That recommendation is an eloquent assertion of the complexity of international economic relations. The recommendations of the Committee on transfer of resources are clearly limited, but they underline the need for global negotiations if the economic problems are to be considered with any hope of positive solution.

6. In the area of food and agriculture, the Committee of the Whole also agreed on certain recommendations. The agreed conclusions [*ibid.*, *part two, para. 18*] indicated that the primary responsibility for the development of food and agriculture production in developing countries rests with the developing countries themselves, and the conclusions called for formulation and implementation of development plans for food and agriculture. But the conclusions also stressed the need for co-ordinated action from all sources—donor countries, international organizations and developing countries—especially in the areas of financial and technical assistance for agricultural development and replenishment of the resources of the International Fund for Agricultural Development.

7. These conclusions further substantiate the need for a global approach to the problems faced by the international community.

8. The Committee of the Whole was less successful in its other areas of discussion. On the question of the special categories of developing countries, there was an agreed text on the island developing countries, but there was no consensus on the least developed, land-locked

and most seriously affected countries. Similarly, the negotiating group on industrial development failed to achieve a consensus. This record of the activities of the Committee of the Whole reveals an inability to obtain agreement on a useful strategy for dealing with the international economic problems.

9. It is therefore the position of my delegation that the proposal of the Group of 77 to the Committee of the Whole on global negotiations represents a truly meaningful approach to resolution of the economic problems.

10. We are seeing the emergence of problems which are planetary in their range. They do not permit of solution except through the co-operation of all sections of the international community. Negotiations at the global level, within the framework of the United Nations system, offer the best hope for such international co-operation.

11. In supporting the endorsement of global negotiations by the General Assembly at its thirty-fourth session, my delegation is not suggesting that those negotiations are all that may be necessary to resolve the persistent economic problems. Conceptually, we see the approach to the economic difficulties now besetting the international community as a threefold one. At the national level there have to be policies of adjustment to render domestic measures more effective. The developing countries must strive to render their economies less reliant on the export of primary commodities and to improve their industrial capacity.

12. At the second level, the developing countries can do more to assist themselves, and it is in pursuance of this objective that efforts at economic co-operation among developing countries are to be supported and strengthened. The non-aligned countries have recognized this fact. Indeed, the adoption of the policy guidelines on collective self-reliance between developing countries [A/34/542, annex, sect. VI B, resolution No. 7] attests to this recognition by the non-aligned.

13. However, failure to resolve the problems at the international level can render ineffective efforts at the other two levels. That is the economic reality of the present moment, given the interdependence of national economies. Any analysis of the global economy reveals that the international dimension of the economic crisis is an aspect of the problem that it is beyond the capacity of any one nation, or group of nations, to resolve by itself. It will require international action at the global level.

14. In calling for global negotiations we are aware of the failure of the Conference on International Economic Co-operation in Paris in 1977. The proposed global round, by its very nature of international collectivity, precludes one important factor which contributed to the failure of the Paris Conference. A small group of nations cannot propose recommendations which will be sufficiently acceptable politically to all nations. Only an agreement decided upon by all nations will obtain the political commitment which must accompany any solution of the economic crisis.

15. The Committee of the Whole has been proposed as the preparatory committee for the global negotiations.

The Committee is to complete its work and present its report to the special session in 1980. The draft resolution presented by the Group of 77 to the Committee, of the Whole identifies the role of the Committee acting as the preparatory committee, as that of making recommendations on procedures, the time-frame and the agenda for the global negotiations. The delegation of Guyana welcomes and supports the task assigned to the Committee as being realistically within its capabilities.

16. We have noted the specific references by many delegations to the inclusion of energy on the agenda for the global negotiations. The issues proposed for discussion are raw materials, trade, development, and money and finance, in addition to energy. It is imperative that the negotiations be viewed in their correct perspective. Nations should not view the global negotiations as a special opportunity to discuss purely national approaches to perceived energy-related problems. Energy, like any other issue on the proposed agenda, is wide-ranging and complex in its economic content. It is closely related to the other issues proposed for discussion and thus helps permit an integrated approach to the problems facing the international community. It must be borne in mind that any discussion on energy must take account of all interests.

17. In conclusion, the call for global negotiations emanated from the Sixth Conference of Heads of State or Government of Non-Aligned Countries [*ibid.*, resolution No. 9] and has been endorsed on 29 September 1979 by the Ministers for Foreign Affairs of the Group of 77 [see A/34/533 and Corr.1, annex] — that is, of all developing countries. It represents an explicit commitment of developing countries to seek a solution to economic problems which are now unquestionably planetary in nature. The developing countries have perceived and admitted that the global solution which the situation demands is beyond national effort and requires wider co-operation. National interest, therefore, must be adjusted to the achievement of wider objectives if the economic crisis is to be relieved.

18. Mr. BIRIDO (Sudan): We should like to associate ourselves with the statement made by the representative of India on behalf of the Group of 77 last Thursday on the agenda item now under consideration [40th meeting]. We share his concern and that of many other speakers regarding the serious crisis in international economic relations, because the outcome of all negotiating conferences on international economic co-operation since the sixth special session of the General Assembly has been a great disappointment to the developing countries. Their commitment and efforts to establish a just and New International Economic Order have invariably been met with strong negative opposition and a lack of political will on the part of the industrial countries.

19. This lack of political will is obvious from the deadlock in the Paris Conference and in the fifth session of UNCTAD, convened in May of this year at Manila, which failed to reach an agreement on the main issues related to trade, development, money and finance. The United Nations Conference on Science and Technology for Development and the protracted discussions at the United Nations Conference on an International Code of Conduct on the Transfer of Technology could not achieve a breakthrough in these important areas of economic co-operation.

20. In fact, the results of the work of the Committee of the Whole are not outstanding. In spite of the modest progress on the transfer of resources and problems of food and agriculture, it failed to reach agreement on the basic issues of industrialization or on special measures and policies related to least developed countries and other special categories. Hence it failed to translate the principles of the New International Economic Order into specific and practical agreements.

21. This situation has been further aggravated by increasing protectionist policies, instability in the international monetary system, galloping inflation and increasing indebtedness in the developing countries. Therefore the gap between the developed and the developing countries has actually increased. Indeed, this economic injustice, which dominates our world today, is bound to threaten the stability and security of the world unless the developed and the developing countries are involved in a genuine and meaningful debate to establish the New International Economic Order. This concept of interdependence is also enforced by the fact that the industrial countries cannot solve their own problems without the co-operation of the developing countries, which provide them with raw materials, markets and opportunities for investment.

22. In this respect, the establishment of the Committee of the Whole under General Assembly resolution 32/174 and the proposal adopted at Havana last month by the heads of State or Government of the non-aligned countries on global negotiations on international economic co-operation are very timely. They are timely because they provide an opportunity to deal in a comprehensive manner with the North-South problems and the formidable challenges of the 1980s, with a view to reaching specific agreements. That is because the global negotiations are for the first time being conducted in the right forum, one with representation of a universal character, which gives an opportunity for the international community to bring to those global negotiations the necessary political will, which has been missing from previous forums.

23. In addition to giving effect to the principle of universality, the global negotiations should cover all the problems of raw materials, trade, development, money, finance and restructuring in a simultaneous and integrated approach.

24. Further, the problems of special categories of developing countries must receive due consideration and priority because those countries face urgent and pressing needs that are imposed on them by unstable and unjust economic relations.

25. On the other hand, the ongoing negotiations in other forums should not be hampered. We hope that the global negotiations to which I have referred will give new impetus to those negotiations currently in progress that could lead to positive conclusions and contribute effectively to the establishment of the New International Economic Order.

26. We sincerely hope that this Assembly will adopt appropriate decisions to lead the international negotiations out of the present impasse. Time is running short, and all of us in the developed and the developing countries stand to lose if the global negotiations are not pursued with the necessary vigour and dedication.

27. That view has been eloquently stated by Mr. Manuel Pérez Guerrero, an eminent economist from a developing country, who is closely associated with the current international debate on economic co-operation. In the spring issue of *Trade and Development*,¹ he said:

"Now, when the need for structural reforms is becoming more and more obvious, it would indeed be tragic if the required action were not vigorously undertaken before the crisis deepens and makes it much more difficult—if not impossible—to channel the world economy towards just and rational objectives acceptable to all."

He added:

"It is unthinkable that with all the resources actually or potentially available to mankind, we should go on destroying without rhyme or reason when we could design and build a society varied in its forms of expression but united in its purpose to achieve peace in justice and well-being. For that, the United Nations is our only hope. . . . Whether we can do so depends on our common efforts."

28. With those words, with which my delegation fully concurs, I come to the end of my statement.

29. Mr. NUSHI (Albania) (*interpretation from French*): The present discussions on the report of the Committee of the Whole established pursuant to General Assembly resolution 32/174 bear witness to the need to continue the struggle and the efforts to respond to the various issues that have arisen concerning the solution of the problems of economic development and the establishment of international economic relations based on justice. In the course of the past five years these problems have been debated on many occasions, and have been the subject of two special sessions of the General Assembly and of many conferences and meetings of bodies of the United Nations system.

30. The documents and relevant decisions which have been adopted, in spite of their shortcomings, establish certain just principles that reflect the major concerns of the peoples and countries which desire to regain or safeguard their national independence and sovereignty, to ensure and safeguard economic independence in order the better to safeguard political independence and to develop and advance independently.

31. But during this debate the representatives of many democratic and progressive countries have rightly emphasized the fact that the decisions adopted have not been implemented, that the hopes of yesterday have proved vain, that several problems, instead of being solved, are in an impasse, and that no one is impressed by promises and eloquent words.

32. It is obvious that the solution of the economic problems that are at the very heart of the present debate is inextricably linked to the struggle and the efforts to solve the major problems of our time, to the solution of the basic social and economic contradictions that trouble the world and characterize the international situation as a whole.

33. At the present time a grave economic, political and social crisis is raging in the capitalist-revisionist

¹ United Nations publication, Sales No. E.79.II.D.8.

world. At the outset this crisis took the form of a fall in production and an increase in the rate of inflation. It has worsened persistently since and assumed ever-growing proportions because it is now interlinked with the energy, monetary and financial crisis. This crisis is manifest today also in the economic stagnation, the galloping inflation, the increase in the army of unemployed, the increase in prices and in the cost of living, and the upheavals in the world monetary system. The aggravation of this crisis takes place at a time when inter-imperialist contradictions and rivalry among the super-Powers in sharing zones of influence and markets are increasing. The grave dangers that threaten peoples because of the aggressive hegemonistic and expansionist policies of the United States and the Soviet Union have been compounded by new dangers presented by the Chinese social-imperialists, who want to make China too a super-Power and hope to benefit from the alliance with American imperialism so that they too may occupy "their rightful place", as it is called.

34. The current economic crisis has overturned all the structures and superstructures of the bourgeois and revisionist order and is further deepening the over-all crisis of the capitalist system. However, at the same time the profits of the monopolies are continuing to grow. This is because such monopolies and all the capitalist countries are attempting to shift the burden of the crisis on to the working class and the labouring masses through price increases and inflation.

35. This crisis has also had considerable impact on the international economic situation as well as on the international economic exchanges. In order to cope with the crisis, the super-Powers and imperialist Powers are doing their utmost to pass the resulting burden on to other countries. They are increasingly resorting to economic aggression, exporting inflation, raising the prices of manufactured goods and attempting to impose low prices for the raw materials they import. They are constantly improving their neo-colonialist methods of infiltrating the economy of developing countries and mercilessly pillaging their wealth.

36. The superprofits that the imperialist Powers are realizing through the pillage of the oil and raw materials of other countries, through investments of capital in countries with a low rate of industrial and economic development, and through so-called aid and credits granted those countries, have become incalculable.

37. It is for this reason that the super-Powers and the imperialist Powers, and their monopolies and multinational corporations are attempting to maintain the *status quo* and to perpetuate the unequal international economic relations set up by the colonialists, neo-colonialists, imperialists and social-imperialists by means of *diktat*, violence and mystification. Through slogans and demagogic propaganda concerning their so-called good intentions and readiness to lend assistance and support to the developing countries, the super-Powers and imperialist Powers are attempting to conceal their neo-colonialist and hegemonist policies. They are sparing no effort in publicizing their purported concern to establish international economic relations on equitable bases, to help in establishing a new international economic order, and so on. In fact, in so doing they are merely attempting to maintain their privileges intact and to arrogate others, further to increase their

profits derived from the economic exploitation of other countries, and to maintain and widen the gap between the developed capitalist countries, on the one hand, and the less developed countries on the other.

38. The slogans and false promises emanating from the imperialist Powers, regarding the alleged establishment of a balanced economic structure in the coming years through measures they intend to adopt to bring about a considerable reduction in the differences in the level of economic and technological development and in the level of national income of industrialized countries and that of other countries, are nothing but manoeuvres designed to perpetuate the existing imbalance. At the same time, they are designed to divert the peoples of the developing countries from the path of their resolute struggle, from the adoption of effective measures of a revolutionary nature and from the solution by this means of the problem of their international economic relations.

39. The American imperialists, the Soviet social-imperialists and the other imperialists have always attempted to propagate their reactionary theses with regard to the "interdependent world" and the "international division of labour", with a view to justifying their plans to play the dominant role in international economic relations. By advocating "assistance", "credits", "economic and technological co-operation" and "joint undertakings", the imperialist Powers are attempting to impede the independent economic development of other countries and to create the impression that these countries are not capable of solving the problems of economic management, technology and development without outside assistance, and that they should therefore bow before the industrialized countries.

40. The granting of "credits" or "assistance" is nothing but a means employed by the imperialist Powers to export and invest their capital. For that matter, we are fully aware that they invest not so much as one dollar or one rouble without ensuring their economic, political or military profit in advance. Through credits, the American imperialists, the Soviet social-imperialists and other imperialist Powers are able to exert pressure on the peoples and countries that receive those credits. Through unequal and discriminatory trade, multiple tariff and customs barriers, the continued devaluation of the currency, the policy of closed markets and other restrictive measures or closed economic groups and markets—such as the Common Market and the Council for Mutual Economic Assistance—the imperialist Powers continue to force substantial trade deficits on the developing countries.

41. Super-Powers and other imperialist Powers are continually proclaiming their strong interest in the economic progress of other countries. In so doing, they advise patience, since success takes time, inequalities cannot be made to disappear overnight, and any hasty measure might run the risk of upsetting the system of international economic relations. Sometimes, they complain and claim that requests from developing countries are unduly exaggerated. More and more frequently, they invoke the so-called responsibility of others for the economic crisis by accusing them of not taking the facts of modern life into account in this interdependent world in which the least developed countries should voluntarily agree to make sacrifices in order that the industrializ-

ed countries can further develop and thereby be in a position better to organize assistance to those who need it. This is the reasoning followed by the American imperialists and other imperialists, for example, who declare that it is the fault of the oil-producing countries whenever there is a lack of gasoline, or whenever rents increase or the heat is turned down. And all of this is carefully calculated to camouflage the machinations of the oil companies that are seeking to realize additional profits or even to justify plans such as that of the United States to establish special military forces to intervene in the world's oil-producing areas.

42. The two imperialist super-Powers, the United States and the Soviet Union, have long been making great ado about the amounts of assistance that could be granted the least developed countries from the funds freed following the adoption of measures in the field of disarmament. However, the facts clearly contradict the propaganda. Rather than decreasing, military expenditures have risen to unheard-of figures. A large part of such expenditures by the imperialist super-Powers is recovered from the enormous profits they are realizing from a wide variety of sources, including the arms trade.

43. When discussions are held in various bodies on the need to change the situation prevailing in international economic relations, the capitalist industrialized countries frequently launch appeals to "make mutual concessions", to show a "spirit of compromise", and so on. But what further concession are the least developed countries supposed to make? The capitalist countries and monopolies have grown rich enough to the detriment of others, and there is no reason for the peoples of the world to agree to further sacrifices or to make concessions.

44. The freedom-loving peoples and countries have the right and the duty to persevere in their struggle for their own economic development, to gain control in full sovereignty of their natural resources and to abolish all the inequalities of the system of international trade.

45. If more just relationships based on equality and reciprocal advantage are not established, if the pressures, blackmail and colonialist practices engaged in by the imperialist Powers to exploit the least developed countries are not eliminated, the emergence of new crises and tensions is inevitable.

46. The Albanian people and the People's Socialist Republic of Albania support the right of all countries aspiring to a free and independent life to decide their economic development for themselves, to become masters of their natural resources and wealth and to free themselves from any imperialist interference or control. We support the efforts made and the rights of the producers of raw materials to set their own prices, free from any arbitrary interference from the capitalist monopolies and the industrialized countries. We support sincere efforts to establish such just relationships in international trade. We welcome the measures taken in recent years by a large number of developing countries to nationalize foreign companies and capital and to restrict the activities of foreign capitalist monopolies in the fields of research, production and so forth. The successes achieved thus far by developing countries on the road to economic and social progress refute the

pessimistic views concerning such countries' supposed inability to exploit their own natural resources.

47. Through their struggle 35 years ago for national liberation against the Nazi-Fascist invaders, the Albanian people became the masters of their fate, their country and their natural resources. Over these 35 years, profound changes have occurred in Albania in the economic field. We have built a modern and complex new industry; co-operative agriculture is still making strides along the road of progress and there is a powerful energy base.

48. Such victories have been achieved through the toil and sweat of the Albanian people. In order to achieve and preserve these victories, our people has had to maintain constant vigilance and confront the anti-Albanian plots and activities of the American imperialists, the Soviet social-imperialists, the Chinese social-imperialists and other reactionary forces. Through its experience, the Albanian people is in a good position to evaluate the aspirations and efforts of peoples and countries that cherish political and economic independence. It firmly supports the struggle of those peoples to liberate themselves from any foreign interference, to protect their countries from imperialist and social-imperialist designs. Knowing that without economic independence there can be no true political independence, the Albanian people has worked and continues to work with great enthusiasm and determination to build a viable economy. Albania today is enjoying constant economic stability. The Albanian people continues to make progress in building socialism based on self-reliance. Our country is even in a position to embark on rapid economic growth and to improve continually the standard of living of the population and, at the same time, to guarantee the defence of the country in any situation without any outside economic assistance.

49. The consistent application of the principle of "self-reliance" does not at all mean that we are merely inward-looking or that we have opted for economic autarchy. The People's Socialist Republic of Albania has been and always will be in favour of sincere international co-operation with all democratic States wedded to progress. It is in favour of the development of normal relations and the expansion of trade and cultural relations with all countries which respect the democratic principles governing relations between sovereign countries.

50. In a statement made recently at a large meeting organized on the occasion of the complete elimination of the consequences of the earthquake which struck Albania on 15 April last, the leader of the Albanian people, Comrade Enver Hoxha said:

"We have maintained and we shall continue to maintain normal trade and cultural relations with all States with which we have established such relations, as well as with other States which are desirous of maintaining just relations with us, with the exception of the United States of America and the revisionist Soviet Union and certain other States which have perpetrated and continue to perpetrate injustices against socialist Albania. Nor shall we enter into relations with those States which, without reason and quite unjustly, continue to deny to the Albanian people the restoration of its riches that were pillaged

from it and refuse to reimburse it for the damage done to it during the Second World War. World reaction should not harbour any hope of seeing us change our stand with regard to these legitimate demands."

51. Mr. BANGURA (Sierra Leone): Those delegations that have spoken before me, from developed and developing countries alike, have eloquently emphasized that there is a serious crisis in the world economy. It is also a matter of consensus that the gap between the developed and the developing countries is widening and that it is necessary to make structural changes through the continuation of the North-South dialogue in order to eliminate the fundamental imbalances and inequalities inherent in the present system of international economic relations.

52. My delegation fully associates itself with that convergence of views. Indeed one of the main reasons for the increased membership of this Organization, especially in the case of those new States, like mine, which emerged from a colonial past, emanated from the determination of this world body, expressed in the Preamble to its Charter, "to employ international machinery for the promotion of the economic and social advancement of all peoples". However, it is with great disappointment that we find that the prospects for the realization of this objective are as bleak and distant today as they were three decades ago. These frustrations, as emphasized by my Foreign Minister in his address to the General Assembly on 8 October of this year, derive from the fact that the developed and industrialized countries of the world have been reluctant "to share their know-how, to transfer their skills and to inject financial resources into those countries" — the developing countries — "which are in greatest need." [24th meeting, para. 149.] This fear has been one of the deterrent factors in regard to the establishment of the New International Economic Order, the goals and objectives of which were agreed upon by all States during the sixth and seventh special sessions of the General Assembly.

53. Several negotiations have taken place within the United Nations system and in other international forums between the developed and the developing countries with a view to seeking co-operative solutions to the current problems of the world economy. The need to accelerate the development of the developing countries and to eradicate the problems of hunger, poverty, malnutrition, and disease in the developing countries, which contain more than two thirds of the world's population, has never been so clearly recognized as today. Yet progress in those negotiations has been insignificant, slow and frustrating.

54. The fifth session of UNCTAD, held at Manila, the United Nations Conference on Science and Technology for Development, held at Vienna, the three sessions held in New York by the Committee of the Whole Established under General Assembly Resolution 32/174, whose report this Assembly is considering today, and the negotiations for the International Development Strategy for the third United Nations Development Decade have made little progress, especially with regard to the substantive issues proposed by the Group of 77.

55. The most urgent task before us today is not only to promote understanding between the developed and the developing countries but to ensure that structural changes are effective within the present international

socio-economic system, which is inequitable and unjust to the third-world countries. The inflationary and protectionist policies of the developed countries have adversely affected the terms of trade of the developing countries to the extent that there is a persistently rapid decline in their export earnings. The indebtedness of developing countries to the industrialized world is assuming alarming proportions. This has made it difficult for the developing countries to purchase from the developed countries goods and services which are crucial for their development and survival.

56. Faced with this sombre economic picture, some developed countries are using the present oil crisis as a pretext to cut back the official development assistance to developing countries and to refuse to grant general debt relief to those countries and they are reluctant to make meaningful reforms in the international monetary system. This selfish and unrealistic attitude adopted by the developed countries to safeguard their short-term interests can only bring more harmful and disastrous consequences down on the entire international community and detract from the already generally accepted principle of interdependence in the world economy of today.

57. As we cross the threshold of the third United Nations Development Decade, we must shift from our conflicting political positions and become more flexible and pragmatic in our approach to the very complex problems facing our respective nations in their socio-economic development, as stated here some time ago by the Pakistani delegation.

58. It is in that spirit that my delegation fully supports the initiative taken at the Sixth Conference of Heads of State or Government of Non-Aligned Countries at Havana early last September for the launching, at the special session of the General Assembly in 1980, of global and sustained negotiations on the entire range of issues related to raw materials, development, finance and energy [A/34/542, annex, sect. VI B, resolution No. 9].

59. We are convinced that these global negotiations, if carefully and properly prepared, would provide a unique opportunity to attack the fundamental and long-term issues facing development and international economic co-operation. It is the hope of my delegation that the present debate will enable us to provide guidelines for the Committee of the Whole in carrying out the preparatory work for these global negotiations and also for the 1980 special session of the General Assembly on international economic co-operation. My delegation earnestly hopes that the proposed global negotiations will be entered into by all States on an equal footing and will be aimed at achieving action-oriented measures to bridge the widening gap between the developed and the developing countries. Negotiations in the 1980s should be given a new political impetus with a genuine desire by all States to restructure the present international economic system, taking account particularly of the needs and aspirations of the developing countries.

60. It is undeniable that the primary responsibility for development rests with each country; but, facing the present reality, developing countries need the active and continuous support of the developed world, as well as that of the international community as a whole, in order to enable them to achieve any meaningful progress in

this regard. It is therefore absolutely essential that the international strategy for the third United Nations Development Decade aim, *inter alia*, at strengthening the national and collective self-reliance of the developing countries. Indeed, the importance of promoting technical and economic co-operation among developing countries has already been highlighted in several international conferences, including the United Nations Conference on Technical Co-operation among Developing Countries held at Buenos Aires from 30 August to 12 September 1978 and the Fourth Ministerial Meeting of the Group of 77, held at Arusha from 12 to 16 February 1979.

61. It was with this conviction that my country entered into an economic union—the Mano River Union—with the sister Republic of Liberia in 1973, at the subregional level, and became a founder member of the Economic Community of West African States, an organization created in 1975 and comprising 16 States in that region.

62. Before concluding, I should like to congratulate Mr. Stoltenberg, Chairman of the Committee of the Whole, on the very wise, skilful and able manner in which he conducted the negotiations of the Committee.

63. It is true that the Committee did not make considerable progress on the question of industrial development and on the special problems of certain categories of developing countries. Nevertheless, as Mr. Stoltenberg himself stated, “we would be better served by openly recognizing our real differences than by finding language to cover up the problems.” [40th meeting, para. 21.]

64. Delegations must be reminded, however, of the urgency of finding solutions to those outstanding issues on industrial development which might impede the success of the Third General Conference of UNIDO at New Delhi, the outcome of which is very important to the progress of our negotiations. The chances of success for this Organization in constructing a new world of economic interdependence based on the New International Economic Order are far greater now than they were some 20 years ago. Previous negotiations, unsuccessful though they were, nevertheless enabled us to identify those problems that had impeded our progress. My delegation is optimistic about the possibility of greater successes in our common developmental efforts during the next Development Decade, given the proper attitude and the political will of the negotiating parties.

65. Mr. PEREZ GUERRERO (Venezuela) (*interpretation from Spanish*): I shall make only a few comments because Mr. Albornoz of Ecuador has spoken on behalf of the countries of the Andean Group [42nd meeting], of which Venezuela is a member. Moreover, our spokesman, the Ambassador of India, has presented the outline of the position of the Group of 77 [40th meeting].

66. What we can see particularly clearly from this debate is the recognition that the world is going through a very bleak period, full of uncertainty and without any easy solutions. Admittedly, a process of change is taking place, but what concerns us is that its effects are not moving in the right direction.

67. It is ironic that at a time when we are all proposing

a more just and equitable order in which the developing countries would participate appropriately in decision-making and the distribution of benefits, what is in fact happening is a greater transfer of resources from the poorer countries to the richer countries and the adoption of unilateral protectionist measures by the developed countries, which adversely affect the weaker countries.

68. Previously, unemployment was the main centre of concern. Today, the main concern seems to be generalized and accelerated inflation in most of the developed countries, with adverse effects on the developing countries, which are obliged to import their products.

69. As was pointed out by our Minister for Foreign Affairs in the general debate in this Assembly [12th meeting], the tendentious concept that the members of the Organization of Petroleum Exporting Countries [OPEC] were responsible for all evils, particularly inflation, since the increase in oil prices in 1973, has now lost any credibility, if indeed it ever had any.

70. It has been said again and again—and the countries of the North know this better than anyone else—that the policy of some of those countries caused the international monetary reserves to double in the short space of two years, giving a tremendous impetus to inflation, shortly before the increase in the price of oil to which I have referred, and of other raw materials, particularly grains.

71. In the case of oil, the effect of this climate of generalized inflation was particularly harmful because it concerned a resource the excessive consumption of which meant that it would be exhausted all the sooner. It took several years for Governments to realize that it was necessary to reduce consumption of oil and that since this was a vital product which was becoming increasingly scarce and the price of which would therefore continue to rise, it was necessary, in addition to reducing excessive consumption, to bring about basic adjustments in life styles in order to reduce superfluous expenditure and prevent people from living beyond their means.

72. It is reasonable that the monetary policy should try to reduce the monetary flow in order to reduce inflation, but it is clear that this will not work unless at the same time there is a policy of budgetary austerity. Instead of attempting to balance the budget, irrational efforts are made to increase arms expenditures and subsidies, and if this continues it will not be possible to halt inflation.

73. Of course, it is necessary to look to the future and not just to indulge in mutual recrimination. However, as far as we are concerned, while we still suffer from injustice and there has been no clear desire to put things right, we are not going to forget or disregard this situation.

Mr. Matane (Papua New Guinea), Vice-President, took the Chair.

74. The proposal of the Group of 77 for a new round of global negotiations takes account of this particular need at a time when the world situation shows that im-

provided, short-term and fragmentary solutions in sum, false solutions are not enough.

75. We have been happy to hear favourable statements by countries from the other groups, but it is clear that some of them still have reservations that are not in keeping with the constructive spirit that inspired us in making our proposal. We are not concealing anything with a view to confusing people. Since the Conference at Havana, we have quite clearly stated our intention to deal adequately and constructively with the question of energy, but it is also clear that none of the fundamental issues that we have mentioned has special priority, just as it is clear that all these issues are very closely inter-related. This is not simply a tactic for negotiations: it is a reflection of the facts. We cannot make progress in an area if we leave aside others that are equally important. Whatever progress is made in any of them would be ephemeral.

76. If we have not yet stated our satisfaction over what has been achieved or what is being achieved, the establishment of the Common Fund, for example, that is because these initiatives cannot be considered firmly established if they are not backed up by a set of concerted and far-reaching measures corresponding to the gravity and the requirements of the current crisis. If this argument is stated seriously and convincingly to the peoples and their legitimate representatives, I am sure the latter will show themselves equal to the occasion. To argue the contrary would be to say that democracies are structurally incapable of finding effective solutions.

77. Animated by a spirit of collective self-confidence among the developing countries, we are aware that rapid and effective action is required to deal with the grave problems seriously affecting most of the developing countries because of the increase of most prices of imported articles and the lack of correspondence with those of their exports.

78. We are ready to assume our responsibilities in a constructive manner. Now it is up to the developed countries to ensure the success of our *démarche* at this critical time.

79. Mr. OYONO (United Republic of Cameroon) (*interpretation from French*): The present state of the dialogue now under way on the establishment of the new international economic order, as described in the report of the Committee of the Whole which, under resolution 32/174 was given a major task in matters of development and international co-operation, is being considered for the second time directly in plenary meetings and with priority by the General Assembly. This is no matter of chance.

80. In doing this our Assembly intended to highlight its great interest in and the political importance it attaches to the world economic situation which profoundly affects international relations and which is at the very heart of the major concerns of all States.

81. This is how my delegation sees this current debate. We hope that it will enable us at last to find the appropriate ways and means of translating into action the outline of this new order on which the world community has agreed by consensus, but whose implementation has been put off again and again.

82. We must recall that the Committee of the Whole was born out of the disenchantment which was felt with the slowness of the negotiations on translating into action the principles of this new order, the bases of which were established in the sixth special session and the Charter of Economic Rights and Duties of States [resolution 3281 (XXIX)]. This major negotiating structure was supposed to work towards the agreed establishment of new international relations.

83. Although the seventh special session very clearly outlined the path to be followed, the negotiations which ensued did not yield the expected results. This was the case, *inter alia*, of the Conference on International Economic Co-operation.

84. Since then, the dialogue has been brought back to its natural and appropriate context, namely the United Nations. The establishment of the Committee of the Whole reflected a recognition of the central role of the General Assembly in this area of global international economic negotiations.

85. Two years after the adoption of resolution 32/174, we must admit that very little progress has been made. The Committee was set up to provide "impetus for resolving difficulties in negotiations . . . [and] as a forum for facilitating and expediting agreement on the resolution of outstanding issues", but the Committee had barely been established when it came up against deep-rooted disagreement about its ability to negotiate and take decisions. That was the cause of its paralysis during the first year.

86. The report on the work of the Committee for 1979, issued as document A/34/34, is not encouraging either. Admittedly some isolated agreements were reached, for example on the transfer of resources and on questions of food and agriculture. However no progress was made on such important issues as the measures to be taken in order to promote the rapid industrialization of the developing countries, in keeping with the Lima Declaration and Plan of Action on Industrial Development and Co-operation,² in order to help the various special categories of developing countries to overcome the transient and structural handicaps that they suffer from and which very seriously mortgage their development efforts.

87. As the Secretary-General very relevantly mentioned in his report on the work of the Organization, "the Committee has not succeeded in providing impetus to other negotiations within the United Nations system" [see A/34/I, sect. V].

88. Therefore we can understand that the international meetings which we have attended and which are usually little better than two monologues going on at the same time, have developed a disturbing lack of concern for time, paying no heed to the urgent need to find a rapid solution for the increasingly precarious situation of the developing countries, of which the World Bank and IMF have just reminded us in their recent reports.

89. There is hardly any need for me to recall that these negotiations have not brought about any decisive

² See document A/10112, chap. IV.

breakthrough towards the new international economic order, nor have they achieved or restored the conditions for a rapid and steady expansion of the world economy. Likewise uncertainty about the future continues and persists, an uncertainty which is increased by a number of other factors, such as the international monetary system which is not at all adapted to the needs of the developing countries and which incidentally is characterized by monetary instability and a rapid increase in international liquidity; the proliferation of unilateral protectionist and restrictive measures and, finally, the fact that the control of the markets of raw materials escapes the developing countries and the prices of such raw materials remain subject to sudden fluctuations.

90. Thus the crisis persists. We should overcome it together in all its aspects and world-wide effects. This must be done through dialogue, in accordance with the results of the sixth and seventh special sessions, the indisputable merits of which were to make all nations more aware of their interdependence and of the oneness of their destiny.

91. Hence, in the various statements made throughout this debate, stress has quite rightly been laid on the need to continue the dialogue and on the interdependence of national economies. Those two concepts, which are very innovative and in the opinion of Cameroon should be the main inspiration in the articulation of new international economic relations, seem unfortunately to suffer from what might be called semantic overload; there are all kinds of ambiguities—even when they are constructive, they are still ambiguities—and there are emotional charges that continue to affect them. That leads to a lack of clarity about the exact meaning of the two concepts during our debates.

92. So if words do indeed reflect ideas, it is necessary to spell out these two concepts clearly, once again. Otherwise, they will not be of much help to us in our joint quest for the promotion of a new kind of international economic relations, which will be more just because they will be based on equality, interdependence and co-operation.

93. We have always advocated working together towards agreement as the most appropriate method not only of settling disputes among States, but also of seeking equitable solutions to the problems facing the community of nations. That approach requires a real political will to achieve fundamental structural changes in current international economic relations. The path that we are advocating is that of a dialogue supported by a firm political will to put an end to the present blatant injustice by accepting to put into effect measures and policies we have all agreed on within the context of the new international economic order.

94. Without that political will, dialogue—or what is called dialogue—might appear as simply a delaying tactic, so far as the legitimate preoccupations of the developing countries are concerned, because it would merely perpetuate their dependence and maintain injustice, inequality and relations of domination and exploitation.

95. What we have said about dialogue holds true for interdependence also. We believe that this concept, so

often invoked that it has become almost a ritual, has a useful meaning only if placed in the perspective of a far-reaching transformation of the current unjust international society, seen through successive temporal horizons. Otherwise, it will continue to elicit ambivalent reactions, generating suspicion and distrust.

96. True interdependence, in so far as it means development in solidarity, just and balanced development, development that is mutually beneficial and acceptable to all States, must lead States to mobilize for resolute action to alleviate the impotence of each of them to attain its national objectives of self-sufficiency.

97. It is because that has not been understood that, when we find ourselves in disarray over this persistent turbulence, we are tempted, as my Minister for Foreign Affairs stressed a year ago in the General Assembly, "to resort to ridiculous palliatives that push us farther and farther away from the accomplishments of the sixth and seventh special sessions".³

98. Meetings between industrialized countries, which certainly result from a praiseworthy desire to reach agreement by working together, do not however seem to us to have fully taken into account this interdependence of all economies. Indeed, apart from the fact that the developing countries have not been involved in these meetings, even when their problems and concerns are dealt with, they are dealt with in a purely marginal manner. True interdependence requires that we conceive of and undertake collective actions that are mutually beneficial and that we never lose sight of the world-wide effect of the decisions to be taken.

99. We have dwelt here on conceptual problems because it seems to us that it is illusory to try to build on the basis of ambiguity. False or ambiguous premises inevitably lead to conclusions and proposals for action that are just as false or ambiguous. The current negotiations bear witness to that.

100. We have to approach future negotiations in a spirit of dialogue and of working together towards agreement, constantly renewing our political will to go beyond our immediate interests, which appear contradictory, and to buckle down resolutely to the task of building a world which is reconciled with itself at last, because it is freed from injustice and exploitation and because it bases relations among the peoples on solidarity and co-operation.

101. The crisis which is at present disturbing and disrupting our world, already in such disarray, can be viewed as an invitation—if we really want to overcome the crisis—to adopt bold and innovative solutions, enabling everyone to participate in what has to be done to ensure the survival of the human race, ensuring the harmonious and balanced development of the various components of the international community, avoiding the fragmentation and chopping up of the important issues of our time, in a word, promoting interdependence.

102. The non-aligned countries, inspired by their con-

³ See *Official Records of the General Assembly, Thirty-third Session, Plenary Meetings*, 18th meeting, para. 149.

stant determination to work for the advent of a world based on solidarity, have made a proposal that takes account of that concern. Resolution No. 9 adopted by the Sixth summit Conference, held at Havana, advocates the opening of a series of standing global negotiations on international economic co-operation for development. These negotiations would be held within the framework of the United Nations—hence, with the full and effective participation of all States.

103. These simultaneous negotiations, being action-oriented, would enable us to deal with all the major problems which are now bogging us down: raw materials, energy, trade, development, as well as monetary and financial issues.

104. The Group of 77 submitted that proposal to the third session of the Committee of the Whole, which has referred it to the General Assembly for a decision. Thus, this is not a new proposal. Indeed, many delegations have clearly supported it both in the plenary Assembly and in the Second Committee.

105. My delegation believes that the General Assembly should, at the end of this debate, decide to begin these global negotiations during the special session in 1980. It should also entrust the Committee of the Whole with the task of doing the necessary preparatory work for the implementation of this proposal. In taking such a decision, we would be ensuring that the present debate achieved its purpose: to find the most effective ways and means to arrive at a new international economic order, and to revitalize the North-South dialogue and restore credibility to it.

106. In conclusion, I should like to say that there has been a great deal of speculation about the features of our world, in a state of upheaval as the twentieth century draws to an end. The most striking feature is that if we want to continue to live, if we want to reach the next century, we must engage in an equitable distribution of the resources and the wealth of the world. Continuity of life requires a redistribution of the means and the opportunities among the nations of the world. We must succeed in articulating a system that is able to transfer from one national unit to another the knowledge, the experience, the goods and the values which, taken together, will constitute the great platform which will make possible the survival of the human race.

107. We must remember what is at stake: the existence of the human race, our chance of surviving. And then we can see clearly what we have to do: plan the future, in other words, look ahead and act, and act now.

108. Mr. KAMANDA (Zaire) (*interpretation from French*): More than four years ago all the States Members of the United Nations emphasized the urgent need to establish generally accepted standards in order to govern in a systematic manner economic relations among States, as well as the need for universally applicable norms for the development of international economic relations on a just and equitable basis.

109. It is in the spirit of the relevant resolutions of our Organization—which I do not deem useful to repeat here—that we adopted and solemnly proclaimed the Charter of Economic Rights and Duties of States, which was prepared as an effective instrument for the

establishment of a new international system of economic relations based on equity, sovereign equality, and interdependence of the interests of developed and developing countries.

110. In September 1975, on the occasion of the seventh special session of the General Assembly, all those involved acknowledged that the general objective of the new international economic order was to increase the ability of the developing countries, individually and collectively, to work towards their development.

111. It seemed then that we had all perceived the need to eliminate the injustice and inequality of which substantial sectors of mankind were and continue to be victims and to contribute to the acceleration of the development of developing countries.

112. We thought it was taken for granted at that time that the duty of all States, which is to try to solve problems existing in the world, and to participate in their solution, in particular the overriding need to correct the economic imbalance between developed and developing countries, had been accepted by all the nations of the world, Members of our universal Organization.

113. It seemed to us that increased co-operation among States in trade, industry, science and technology, transfer of resources, food and nutrition and other areas of economic endeavour, based on the principles underlying the Declaration and Programme of Action on the Establishment of a New International Economic Order and the Charter of Economic Rights and Duties of States—was something recognized by all States Members, without any distinction, as a major contribution to the strengthening of peace and security in the world.

114. Since the accelerated development of the developing countries has been acknowledged as a decisive element for promoting international peace and security, it was agreed that the International Development Strategy for the Second United Nations Development Decade would be reviewed in the light of the Programme of Action for the Establishment of the New International Economic Order.

115. It is against that background that the seventh special session of the General Assembly advocated, as a basis and setting for the work of United Nations bodies and organs, a system of precise measures dealing with international trade, transfer of real resources to finance the development of developing countries, international monetary reform, science and technology, industrialization, food and agriculture, co-operation among developing countries, and restructuring of the economic and social sectors of the United Nations system.

116. It was on the basis of those premises that we supported and continue to support the work of the Committee of the Whole as the instrument entrusted with the task of helping the General Assembly better to monitor and supervise the practical work and performance of specific tasks leading to the establishment of a new international economic order and to the break of the stalemate of the North-South dialogue.

117. It was, finally, on the basis of those premises that Zaire in particular, and other countries members of the

Group of 77 as a whole, approached the debates of the fifth session of UNCTAD, held at Manila, especially as regards the examination and evaluation of the major factors having an impact on the world economy and in particular on the economies of the developing countries, especially from the standpoint of the relations between the economies of developing and developed countries, as well as the problems inherent in our own countries.

118. I should like to state that the Republic of Zaire fully endorses the statement made by the representative of India as Chairman of the Group of 77. But—and we must also say this—the disappointment resulting from the meagre results of the fifth session of UNCTAD and the slow progress in the Committee of the Whole is as great as the hopes that we had placed in both the successful outcomes of the work of the Committee of the Whole and that of the fifth session of UNCTAD.

119. You will readily note that the strong reluctance and absence of real political will—observed in the majority of our partners in the developed countries—which did not enable us to break the stalemate in negotiations at UNCTAD, were precisely the factors that are now slowing down progress in the work of the Committee of the Whole. If that attitude of our partners from the developed countries does not change—thus continuing the stalemate in the work of the Committee of the Whole—the establishment of the new international economic order will be called into question and largely subverted. We appeal, then, to our partners from the developed countries to understand that in this basic debate—in which we invite them, and all people of goodwill the world over to take part—it is primarily their interests that are at stake. If the economic situation of the developing countries, as a concern of universal scope, is not improved, it will be extremely difficult to guarantee international peace and security.

120. We have stated time and again that the world economy is at present experiencing the gravest crisis it has known since the Second World War and that the existing malaise in the international economic system was not a simple phenomenon of cycles in the evolution of history but, above all, a symptom of far-reaching dislocations of structures and of a fundamental imbalance.

121. We have proclaimed time and again that the institutional framework set up immediately after the Second World War in order to govern economic, trade, monetary and financial relations the world over, is today largely incompatible with the objectives of the new international economic order and the desired operation of the world economy.

122. At Geneva, New Delhi, Santiago, Nairobi and, recently, again at Manila, we proclaimed that this institutional framework and the present economic order were obsolete, not only because they were no longer in a position to meet the concerns of the majority of the States of the world represented by the developing countries, but also because they were increasingly unable to cope with the crises besetting the industrialized countries themselves.

123. To be convinced of this one need merely refer not only to the recent reports of IMF and the World Bank but also to the statements made by Mr. Robert

McNamara, President of the World Bank as well as by Mr. Raúl Prebisch in the course of the debates of the fifth session of UNCTAD.

124. The head of the delegation of the Republic of Zaire, in the general debate, has already given our appraisal of the world economic situation [*19th meeting*] and I shall not repeat that here. I should like simply to say that at Manila the developed and industrialized countries did not recognize their responsibilities for the present world economic crisis nor have they fully discharged their obligations in respect of the establishment of a new international economic order.

125. At the fifth session of UNCTAD, the developed industrialized countries would not recognize the outdated nature of the existing international economic order, or its inability to meet the new demands of a constantly changing world, especially the demands of the majority of the countries of the world.

126. Finally, at Manila the developed industrialized countries minimized the dangers of protectionism and tried to justify their policies without showing any spirit of compromise.

127. That, in our view, explains the failure of the fifth session of UNCTAD to fulfil our expectations. That also explains the meagre results achieved because Manila was, above all, a setting for the confrontation of options and philosophical conceptions concerning international co-operation and interdependence, common management of the world economy and the establishment of the new international economic order.

128. It was on those vital, fundamental issues that the debates of the fifth session of UNCTAD were to centre, and indeed did. They are vital issues because the third-world countries, particularly those of the African continent, are today suffering more tragically than other more favourably endowed regions of the world, from the repercussions of development strategies adopted, the failure of which, emphasized by the social crises which have been besetting the industrialized countries, are quite evident. They are fundamental also because the future of international co-operation and the establishment of a more just and equitable new international economic order will depend on what answers will be given to these questions.

129. But, as has been noted at Manila, the developed and industrialized countries did not seem to share our assessment of the world-wide commercial, economic and monetary situation, let alone of its causes. Apparently, the powerful and rich countries are not prepared to abandon the policies and practices from which they have reaped such benefits in the past, while the poor and weak continue to challenge the traditional concept of the international division of labour, for which they wish to substitute the development of the creative self-reliance of peoples in a structured international trade, continue to proclaim unanimously, but in vain, that the nature of the present international economic order is outdated and demand that it be restructured.

130. In the face of this situation, it becomes imperative to set up a system of economic codification and to establish recognized and accepted standards of

behaviour in international economic co-operation and development, in order to induce countries reluctant to do so to assume their responsibilities. It is only on the basis of an objective and honest evaluation of the situation of the world economy that we can cherish the hope of the success of our appeal for global negotiations on international co-operation for development.

131. One of the essential elements in the transformation of world economic structures is most assuredly commercial, economic and technical co-operation among developing countries on the basis of the principle of collective self-reliance. But for this co-operation among developing countries to play its full role as a key element in the transformation of world economic structures and for the establishment of more just and equitable international economic structures, lessons must be learned from the failure of North-South co-operation and from the reasons for the rejection of the model for co-operation between developed and developing countries offered by the present international economic order, so that there may be no repetition.

132. The United Nations should give its full support to co-operation among developing countries, and during the 1980s United Nations activities in the field of economic co-operation and development should be focused on effective and concrete action for the establishment of the desired new international economic order.

133. The Republic of Zaire thus supports all positive recommendations by the Committee of the Whole, as well as the opening of global negotiations in the 1980s. In spite of the hesitancy and the lack of political will evinced by our partners from the developed countries, we reaffirm our willingness and determination to pursue the dialogue in the enlightened interest of the world. We are convinced that there are in the developed countries in the East as well as in the West, minds and hearts which will heed this appeal of the third world.

134. As we are reminded by an outstanding thinker of our time:

“Anyone who tries to review the major currents of world history is struck by the fact that every far-reaching change undergone in the course of the ages by human, national or multinational communities is presaged by earlier events of differing nature and importance, but whose significance, when examined in retrospect after several decades, appears obvious. It must be noted that this has almost always escaped many contemporary political leaders; alone, at times and incompletely, some thinkers have understood the meaning. But never have these harbingers been used by the political Powers to orient their subsequent conduct. This blindness is particularly surprising in the present era, when the media of information and analysis have reached near perfection, in both rapidity and depth, and at a time when the world is beginning to become aware of its existence as such, and senses the awakening of international solidarity.”

135. I should like to believe, on behalf of my country and in the name of all mankind, that that terrible prophecy will not be visited upon our generation, for I cherish the belief that there exists in the world today an im-

measurable amount of intelligence and good faith at the service of mankind which is capable of facing this challenge.

136. Things will never be as they were before, and the awakening of the peoples of the third world is an irrevocable factor of history which must be borne in mind. May all our friends, then, all those of goodwill, all the righteous people of the world, refuse to deal in incoherence.

137. A more equitable sharing of world prosperity is the very condition of the survival of man, even if it requires of those who are most richly endowed today sacrifices so great that they are at first revolted.

138. Finally, I should like to express the thanks of the delegation of Zaire to the Chairman of the Committee of the Whole for the clear and able manner in which he led the work of that Committee.

139. Mr. MUÑOZ LEDO (Mexico) (*interpretation from Spanish*): This thirty-fourth session of the General Assembly can be a truly significant one. In evaluating the work done by the Committee of the Whole, we are actually assessing the efforts made in the decade which is now drawing to an end, and we are considering the prospects offered by the forthcoming decade.

140. This is a time for reflection, but above all a time to set our course and to take decisions. From various viewpoints, it is quite justified that most delegations should express a critical evaluation of the past. Logical also is the commitment to introduce new elements into the forthcoming preparatory work. However, it is necessary that our critical capacity and our proposals for innovation be directed towards clearly defined objectives which will at last enable us to take actual steps towards achievement of the new international economic order.

141. When we took up the other issues comprising agenda item 55, the Mexican delegation declared that in its opinion the decade which is now drawing to an end has been characterized by a double deterioration: a deterioration in the functioning of the international economy on the one hand and a deterioration in the level of agreement and co-operation among countries on the other. My delegation feels that the two phenomena are very closely linked. If we do not lay down the bases for a new understanding, the international economy will continue to deteriorate, which will be bad for everybody, particularly for the least advantaged. If the deterioration continues, then the bridges of dialogue and multilateral negotiations will in turn collapse.

142. The eve of the 1980s seems to be a good time for the international community to begin reversing the discouraging trends to which we have referred. If we are actually able to set in motion an international strategy for development, we shall be able to revitalize the operation of the world economy, by taking as its basic impetus a systematic stimulation towards the accelerated growth of the developing countries. It is the conviction of the members of the Group of 77 that this new tendency can emerge only if we promote understanding through a new series of world negotiations that would substantially transform the direction, content and methods of multilateral economic co-operation.

143. The proposal of the Group of 77, presented at the last meeting of the Committee of the Whole, to initiate in 1980 negotiations on raw materials, energy, trade, development and monetary and financial policies, must lead to the first really concerted effort to enable us together to halt the negative tendencies that are of concern to all the members of the international community.

144. This initiative of the developing countries is the most relevant effort that has been made in recent years to open the doors to world economic dialogue, which seemed to be closed because of lack of political will and of adequate negotiating procedures. Thus it is essential that our work be directed towards immediate action, and that we not lose sight of the particular features of the various areas of international economic co-operation, the plans that must be prepared and developed and the need to consider these issues at the same time without necessarily subordinating one to the other. We must move forward, relying on the dynamics of the facts rather than trying to move against them.

145. The proposal to initiate this series of global negotiations is certainly an urgent appeal to the international community to find ways of reaching agreement in the basic areas of economic co-operation. However, the main issue now being debated is how to ensure that those negotiations will become a factor that truly facilitates the reaching of agreement and the improving of co-operation among countries, thus avoiding further sterile confrontations.

146. Thus mere agreement in principle upon the advantages of initiating such negotiations would certainly be inadequate. What is required is clear agreement on the direction and objectives of the dialogue that we are going to initiate, so as to facilitate later consensus on its detailed programme of action, time-table and procedures. It is not enough to ask the Committee of the Whole to prepare for that series of negotiations unless, at the same time, we allow it to organize its preparatory work in such a way as to ensure that it can discharge the mandate entrusted to it.

147. The Mexican delegation is convinced that, in order to ensure a fruitful outcome for the new phase of the dialogue that is to begin at the special session to be held in 1980, we cannot afford to miss the double opportunity that we are being offered today, namely to reach a consensus on the direction and the objectives of the negotiations and to move forward as far as is possible in defining the procedures that will enable the Committee of the Whole to prepare carefully and adequately the substantive stage of negotiations.

148. We are proposing a new point of departure, but we are not starting at zero. While the results achieved so far satisfy absolutely nobody that is due mainly to the fact that we have not been able to move from statements and good intentions to negotiations that would make the members of the international community enter into commitments and abide by them. Behind us are long and arduous efforts to spell out our legitimate aspirations in each of the sections of the new international economic order. But we have not yet been able to link these definitions to reality. Hence, our initial concern should be to get things together and to co-ordinate what we have achieved so that we can transform our past achievements into a new point of departure for global

negotiations. Were we to do otherwise, as has been stressed by our President,

"... we would be dissociating what we want from what we do; we would be opposing principles to norms, norms to procedures, and procedures to creative action. We would be running the perilous risk of getting bogged down, of perpetuating the unjust contrasts between scarcity and extravagance. . . .

"We already have economic norms and provisions that are generally accepted by States. By basing our efforts on these norms, and thereby giving them substance, it will be possible to design an all-encompassing and balanced joint development strategy that would be expressed in legal form and based on international law." [11th meeting, paras. 64-65.]

149. We must find the common area between the two levels of reality that provide the context for our dialogue. On the one hand, we have structural problems that can be defined and resolved only in long-term programmes. On the other hand, we have very urgent issues that we cannot disregard without risking the danger that the current imbalance will be made irreversible.

150. It would therefore seem essential that in the preparatory phase, and in the negotiations themselves, we should take account of some of the basic fundamental requirements. The Mexican delegation has highlighted some of them as follows.

151. Negotiations on international economic co-operation require us to plan initiatives that are bold and realistic, and expressed in an organized and coherent manner, within the context of global plans and programmes. As an immediate undertaking, we would have specific measures to face the short-term needs of the developing countries, particularly the least developed.

152. Those negotiations should in an integrated way take up those issues so as to reflect their interrelationship. The interdependence that we seek can in no way be simply a prolongation of the relations of exploitation, neo-colonialism and dependency that currently prevail. Rather, we must set off from a radically different definition of the rules of the game, the definition that we all recognize as the "New International Economic Order".

153. Bearing that in mind, each of the items should be dealt with specifically, depending upon its dimensions and its characteristics. It must have its own negotiating area, and it must be related to the other issues, but it must allow the possibility to ensure, within a dynamic process, that the political will to move forward can be demonstrated and expressed. In our opinion, the strategy should now be directed towards the links between the various issues and the main ramifications of each and every one of them, so that they can help one another along instead of slowing one another down.

154. The paramount imperative of the two post-war decades was the elimination of colonialism; in the past 20 years, the paramount concern has been development. At the same time, the object of our efforts and the measure of our success has been the narrowing of the gap dividing the rich from the poor. If the gap should

continue to widen, as has been happening, this will be further testimony of our continued inability to establish our objectives and to co-ordinate our intentions in the desired direction.

155. Against this historical backdrop, the problem of energy has emerged in recent years as a crucial element that will to a large extent determine progress in international economic co-operation. To deny this is to shut one's eyes to the facts. To say that timely and appropriate treatment of this issue would delay or interfere with over-all negotiations is, in our opinion, a mistaken evaluation of the situation. We believe—on the contrary—that the question of energy, taken in context, can be made an invaluable factor for unity among the developing countries and a catalysing element for other advances in international economic co-operation.

156. The President of Mexico, José López Portillo, put forward a far-reaching proposal on this issue [*ibid.*, paras. 66-68], the most complex and pressing issue affecting international economic relations today. He dealt not only with the most prominent issues related to hydrocarbons but, in a broader context, with the need to ensure an orderly transition from the era of energy in which we are now living to the era that will inevitably succeed it. He did so on the basis of the principles and within the context of the new international economic order. The Mexican proposal thus falls naturally within the series of global negotiations on international economic co-operation for development proposed by the countries of the Group of 77. In addition, it takes into account the need to co-ordinate the treatment of the various aspects of the energy problem, which to date have been dealt with or studied in isolated, partial ways in various forums and resolutions of this Organization. In short, the President proposed a global view and a coherent world plan on this issue, as we have defined it in the past in other areas of international economic co-operation.

157. The time has not yet come, however, to discuss the substantive elements of this proposal. That will have to be done in the near future. Many delegations have already recognized, nevertheless, that the ideas put forward by Mexico do reflect central concerns of the international community, and that they open up a promising area for understanding and negotiation and constitute a fundamental contribution to the dialogue which, at the suggestion of the developing countries, will soon begin at the United Nations.

158. Our country's earlier battles to ensure respect for our sovereign rights over our natural resources, our determined militancy in accelerating the decolonization process, our perseverance in defining the norms that today provide the bases of the new international economic order and our political determination to establish it through dialogue and negotiation, underline and explain the motivation of the Mexican proposal.

159. President López Portillo recognized in the General Assembly that he was not attempting to say anything new, but was rather describing facts with which we are all familiar, but which for various reasons had been inadequately expressed. He described in a clear and straightforward manner the strategy and

methods that, in our country's view, can contribute to solving the problems that are preventing the solution to the development objectives of a large number of countries and that are challenging their viability as independent nations, seriously affecting the equilibrium of the world economy.

160. We confidently hope that with the support of our Group of 77—the great majority of whose members are now seriously being affected by the economic crisis and have the right to expect more from the international community—we will henceforth be able to begin taking firm steps towards a global agreement. We expect all States to make a new and necessary effort to think clearly and to demonstrate the political determination to achieve that agreement.

161. Mr. JIMETA (Nigeria): My delegation wishes at the outset to extend warm congratulations to Mr. Stoltenberg, of Norway, the current Chairman of the Committee of the Whole, on the able and constructive manner in which he guided the Committee's work. We also wish to thank Mr. Narayanan, of India, for the statement he made last week [40th meeting] on behalf of the Group of 77, of which Nigeria is proud to be a member.

162. The continuing crisis in the world economy would seem to confirm my Government's oft-stated position that there is an urgent need for structural and attitudinal modification in the economic relationship between developed and developing countries. This is not only necessary as a logical historical development, but also inevitable in view of the background of the meagre achievements of the five sessions of UNCTAD and of other negotiations, such as those within the Conference on International Economic Co-operation.

163. With the adoption by the General Assembly of the Declaration and Programme of Action on the Establishment of a New International Economic Order at the sixth special session and of the Charter of Economic Rights and Duties of States at the twenty-ninth session, many delegations—including my own—had felt that the economic negotiations precipitated by the depressing developments of the 1960s had been placed in their proper perspective. The new order we are seeking is one of fairness, based on an overview of the needs of developing countries and a readjustment of the existing international economic system. Throughout the 1960s, the developing countries had to supplement political independence with the economic viability that would make their freedom more meaningful.

164. At the international level, these delegations worked for the adoption of the First United Nations Development Decade, the achievements of which fell far short of its objectives. The Second United Nations Development Decade was consequently regarded, even before its inception, as a further measure of the international community's ability to solve the increasingly intractable economic problems of the poor, developing nations. In the words of the Director-General for Development and International Economic Co-operation, the "far-reaching modifications in the patterns of global production, consumption and trade, including a substantial enlargement of the share of the developing countries in world industry and trade in in-

dustrial products",⁴ envisaged by the Second United Nations Development Decade and the Programme of Action on the Establishment of a New International Economic Order have become mere declamatory statements rather than honest intentions to bring about global economic transformation.

165. At the regional level, efforts by the developing countries to mobilize their resources and to develop programmes of self-reliance have also been vitiated by forces generated and controlled by the rich, industrialized countries. For instance, the Yaoundé Conventions I⁵ and II,⁶ of 1963 and 1969 respectively, as well as the Arusha convention,⁷ also of 1969, because of their heavy reliance on old patterns of trade and commerce, failed to achieve their respective goals. However, with the inception of the Group of 77, as a result of the Cairo Conference on the Problems of Economic Development, sponsored by UNCTAD and held in 1962, we had hoped that the stage was set for a permanent means for the developing countries to engage the developed countries in continuous dialogue on how to expand through the restructuring of international economic relations.

166. The basic lack of linkage between the remarkably rapid expansion and consolidation of the economies of the developed countries and the transmission of that growth to the economies of the developing countries clearly betrays an inherent weakness in the mechanism for international co-operation for development. The poor nations' economies have been conditioned through colonialism to provide raw materials to fuel the raging fires of rapid development and higher standards of living and, unwittingly, contributed indirectly to the capacity of those countries to waste enormous sums of money on the arms race. Rather than helping the poor nations to overcome acute poverty, chronic unemployment, illiteracy, undernourishment, crushing debts and balance-of-payments problems, the developed countries have shown quite clearly, since the sixth and seventh special sessions, that they have yet to grapple with the realities that face the world's developing countries.

167. According to the World Bank, almost a third of the urban dwellers of the developing countries lack the income and the consumption sufficient to maintain a productive life. By the year 2000 there may be as many as 2 billion urban residents lacking access to minimal nutrition and sanitation, safe water, basic education and shelter. The gravity of this situation cannot be fully appreciated until one reflects that the urban dwellers are, on the whole, the élite of the populations of the developing countries.

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

⁵ Convention of Association between the European Economic Community and the African States and the Malagasy Republic associated with that Community, signed at Yaoundé on 20 July 1963.

⁶ *Idem*, signed at Yaoundé on 29 July 1969.

⁷ Agreement establishing an association between the European Economic Community and the United Republic of Tanzania, the Republic of Uganda and the Republic of Kenya, signed at Arusha, on 24 September 1969. This agreement is referred to as the Arusha convention.

168. Therefore my delegation would like to welcome this new opportunity for the international community to embark on a global round of negotiations for international economic co-operation for development. A number of interrelated economic areas have been scheduled for discussion. We see in this new effort the leadership that this Organization must continue to give in establishing policy guidelines and a framework for discussions that may spill over into the work going on in other forums. To that end, my delegation would like to see new initiatives to modernize the rules and principles of international economic co-operation so as to enable the developing countries "to exercise full and effective control over the use of their national resources, to give them a real say in international economic decision-making processes and to make those processes more effective", to quote once again the Director-General for Development and International Economic Co-operation.

169. Those international economic instruments that have not yet fully responded to the concepts of the New International Economic Order and the principles of the Charter of Economic Rights and Duties of States must be revised or reformulated and made more responsive to accord with the common interests of humanity. The ongoing negotiations on several codes, including those on shipping, transnational corporations, technology, restrictive business practices and multimodal transport, must be concluded as soon as possible in compliance with acceptable principles of negotiation. We should also like to see the firm establishment of the Common Fund, as well as further progress on the list of individual commodity agreements within the framework of the Integrated Programme of Commodities.⁸ The role of the global round, as we see it, is, therefore, to facilitate progress in all these areas within UNCTAD and in other forums.

170. With particular reference to the major issues mentioned in the draft resolution referred to this Assembly by the Committee of the Whole [A/34/34, part three, annex I], my delegation firmly subscribes to the view of the Group of 77, as stated by the representative of India in his statement last week, to the effect that none of the issues in the fields of raw materials, energy, trade, money and finance can be treated separately from the over-all issue of development and their interrelationship in overcoming the present gap between the rich and the poor nations. We realize that attempts have been made, and may continue to be made, to isolate energy as the villain of the present international economic crisis. We would maintain, however, that energy, in all its ramifications and different aspects, is indeed a resource that is yet to be fully explored. The traditional concept of energy—which is moulded around petroleum—must be re-examined only in the context of the ever-increasing reality of its rapid depletion with a view to finding ways and means for diversification into new and renewable sources of energy. That is why my delegation looks forward with enthusiasm to the United Nations Conference on New and Renewable Sources of Energy, which will be held at Nairobi in August 1981.

⁸ *Proceedings of the United Nations Conference on Trade and Development, Fourth Session*, Vol. I, *Report and Annexes* (United Nations publication, Sales No. E.76.II.D.10 and corrigendum, part one, sect. A, resolution 93 (IV)).

171. The problem with oil is that it is a wasting asset to those at present endowed with it. The relief it gives its producers at the present time is no more significant than the benefits it confers on the developed countries which still hold a monopoly on the supply of technology. The extraordinary economic prosperity of the industrialized countries has been translated into higher wages for their people, and this in turn has made the products of their factories even more expensive for their foreign consumers, which, to a large extent, are in the developing countries. It would therefore be naïve for anyone to expect the developing countries to hold the reins on the prices of their own export-resources when they must embark on programmes of economic self-reliance, principally by consuming expensive capital equipment from the developed countries. The establishment of firm industrial infrastructures, the modernization of the agricultural sector and the process of educating huge populations at a pace unthinkable even in some developed countries, are paramount considerations in the bridging of the gap between the developing and the industrialized nations. The choice really is whether the producers of raw materials—including crude oil—should develop their economies at such a slow pace as would eventually result in a total neutralization of the value of their import earnings, or utilize such earnings to accelerate the process of their over-all development. The interrelationship must be borne clearly in mind in all present and future negotiations.

172. We therefore see the energy question in the light of its present inadequacy—the need to respect the right of every nation to exercise “full permanent sovereignty . . . over all its . . . natural resources”, the need to safeguard the rate of wasteful depletion of the present known reserves, the need to safeguard the real value of earnings and the need to utilize these earnings for socio-economic transformation.

173. With regard to the proposed text on industrialization [*ibid.*, annex III], my delegation fully shares the views of the other members of the Group of 77 that the pace of industrialization in developing countries must be hastened in order to enable them to overcome many of their endemic balance-of-payment difficulties. The Lima Declaration and Plan of Action on Industrial Development and Co-operation represent the key instrument for the realization of a sustained and self-reliant growth of the economies of the developing countries. The 25 per cent target for the share of developing countries in world industrial output is in itself a compromise prescription. We hope that this target will feature prominently in the international development strategy for the third decade and that the Third General Conference of UNIDO will elaborate concrete measures for its attainment.

174. The Nigerian delegation believes firmly in the efficacy of developing agriculture as the basis for over-all development and, in particular, its linkages to industrialization. These linkages could hasten efforts to remedy food shortages, substitute imports and achieve savings on scarce foreign earnings. The oncoming global negotiations must take adequate cognizance of the different levels of industrialization of the present group of developing countries, taking fully into account the whole range of problems relating to sectoral development.

175. Members will recall that in his recent address to

this Assembly [31st meeting], the Chairman of the Movement of Non-Aligned Countries, President Fidel Castro Rúz, reiterated our collective concern over the enormous expenditures on armaments.

176. We believe that the difficulties and challenges confronting the world economy today could be more than alleviated by a judicious transfer of some of the resources spent on armament and weapons development to general economic development. Over \$400 billion are expended on the unproductive armaments race and it is obvious that, if even only 1 per cent of that outlay were earmarked for economic development in general terms, the prospects would be uplifting. It is our recommendation, therefore, that the next round of global negotiations on economic matters should focus on this aspect the attention it deserves, with a view to reaching agreement on releasing the enormous financial resources still being frittered away, and channelling them into areas where they could be employed for the greatest good of mankind.

177. Finally, Nigeria will lend its support to all constructive efforts to enable the Committee of the Whole to conclude arrangements for the special session of the General Assembly next year to launch the global round of negotiations. We approach these negotiations in a constructive frame of mind, fully conscious of the need for further progress in the effort of the international community to find a mutually acceptable solution to the present world economic crisis.

178. The North-South dialogue, for us, is not a cliché. It is the engine we all need to establish a more just and equitable world order with viable economic and political dimensions. The sessions of the Conference on International Economic Co-operation, which were held at Paris, achieved precious little primarily because they lacked the global participation that could result in a fully comprehensive world economic policy. The limited successes of those two sessions is indicative of the fact that, given political will and with inputs from all the agencies in the United Nations family, the Committee of the Whole could provide the forum where global negotiations for the 1980s are feasible.

179. Mr. SIMBANANIYE (Burundi) (*interpretation from French*): Since the sixth special session of the General Assembly, the international community has been more than ever committed to a relentless struggle against the present international economic system, which is characterized by injustice and exploitation. The goal, of course, is the establishment of a new international economic order based on justice and equality.

180. In adopting resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974 containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, resolution 3281 (XXIX) of 12 December 1974 containing the Charter of Economic Rights and Duties of States, and resolution 3362 (S-VII) of 16 September 1975 on development and international economic co-operation, the General Assembly clearly defined a platform for negotiations between the countries in the northern hemisphere and those in the southern hemisphere.

181. Unfortunately, the impetus provided by the General Assembly was broken by the lack of faith of the majority of the developed countries in the trends and

objectives set down in the course of those very important sessions. The reservations expressed by the "have" countries concerning certain resolutions, especially the resolution that contains the Charter of Economic Rights and Duties of States, have weighed heavily on the various negotiations to the point where they have paralysed the work of major international conferences.

182. The intransigence of almost all of the market economy developed countries underlies the failure of the North-South Conference which has been dragging its feet for two years, whereas we had welcomed the initiative as a fortunate one. The optimists said that this was only a half failure because, in their words, the developed and the developing countries had for the first time been able to pin-point the areas of disagreement on such an important and complex issue as the restructuring of the international economic system. Far be it from us to seek all of the reasons underlying the disappointing results of the Conference on International Economic Co-operation which took place at Paris. Nevertheless, there is general agreement that one of the reasons for that failure was the lack of universality of the Conference.

183. The General Assembly drew a lesson from this experience and, in its resolution 32/174 of 19 December 1977, it set up the Committee of the Whole, the report of which we are at present considering. Hence the North-South dialogue was brought back to the United Nations. The work of this Committee was paralysed for a year by the group of developed countries and became bogged down in questions of procedure and of the interpretation of the Committee's mandate. Thus for a whole year there was no progress in the negotiations.

184. At its thirty-third session the General Assembly, in a spirit of conciliation, further clarified the role and the mandate of the Committee. In spite of this decision of the General Assembly, the Committee of the Whole was able to reach agreement on only a very limited number of problems.

185. The Chairman of the Committee of the Whole for 1979, Mr. Thorvald Stoltenberg, made a lucid statement in presenting the report of the Committee for this year. The Burundi delegation would like to take this opportunity to pay a tribute to him for his untiring efforts to secure tangible progress on items which are at the very heart of the strategy for the establishment of a new international economic order.

186. The report of the Committee of the Whole makes it clear that the developed countries are not yet ready to give up the privileges they enjoy in their relations with the developing countries. Some are pleased to say that the Committee has reached a considerable measure of agreement on important questions such as the transfer to external resources, food and agriculture. My delegation feels that we should not exaggerate the scope of these results, for the following reasons.

187. First, these are decisions already taken by other bodies but which have never been implemented. Possibly, the major innovation is that they were adopted by the Committee of the Whole, whose power of negotiation and decision-making had been challenged for more than a year.

188. The second reason which impels my delegation to limit the importance of these agreements is that their effects have been almost nullified by the fact that related problems have not been solved. Thus, for example, international trade in agricultural products is hindered by the resurgence of protectionist trade practices. In this same context, the instability of the prices of agricultural products exported by the developing countries gives rise to harmful effects on export earnings and thereby on their policy of combating hunger.

189. Our disappointment is even greater when we consider the disagreement within the Committee of the Whole on issues of vital interest for the economies of the developing countries, such as industrial development, aid to the most seriously affected developing countries, the elimination of protectionist measures and the tariff and non-tariff barriers which the developed countries set up essentially to bar imports from the developing countries, and finally the restructuring of the international economy.

190. In the light of these meagre results, we can say that the Committee of the Whole has not yet met the wishes of the General Assembly which, in its resolution 32/174, requested it to provide the "impetus for resolving difficulties in negotiations and for encouraging the continuing work in these bodies" of the United Nations system and to serve "where appropriate, as a forum for facilitating and expediting agreement on the resolution of outstanding issues".

191. The present failure of this mission of the Committee of the Whole can be attributed to the developed countries because they refuse to engage in a dialogue on these important issues. It is this refusal which is at the root of the failure of the fifth session of UNCTAD and the very limited results of the United Nations Conference on Science and Technology for Development, held at Vienna in August of this year.

192. In the face of this obstruction by the wealthy countries, the developing countries have not remained impassive, because in this struggle resignation would be tantamount to economic stagnation, paralysis of their economies, the halting of progress and, finally, the challenging of their independence.

193. This is why the Sixth Conference of Heads of State or Government of Non-Aligned Countries, which met at Havana in September of this year, supported the holding of global negotiations between countries in the northern hemisphere and countries in the southern hemisphere. This proposal was taken up by the Group of 77 and submitted for consideration first in the Committee of the Whole and then in the General Assembly. These global negotiations should relate to the major issues of raw materials, energy, trade, development and monetary and financial problems. We hope that this initiative by the developing countries will be appreciated by the developed countries and that it may get us out of the impasse in the North-South negotiations so as to achieve the restructuring of the world economy on the basis of the principles of justice and equality.

194. We should not, however, have any illusions about the extent to which the problem of energy should be included in these negotiations. It would indeed be

prejudicial to the success of these negotiations if the developed countries took advantage of that opportunity to focus discussions on the problem of energy, leaving other questions in the background.

195. In spite of the spirit of co-operation and creative imagination of the developing countries, in spite of the concessions they are making in order to avoid the catastrophe which threatens our economies, the struggle for the emergence of a new international economic order will be a long and difficult one. It will be long because it must attack the far-reaching causes of the world economic crisis; it will be difficult because it will call into question the immense profits which a group of countries or transnational corporations are making thanks to a monetary and economic system based on injustice and domination. In some respects, this struggle will be more difficult than that waged by peoples for their political independence.

196. But it must be recognized that the countries of the third world are prepared to discharge their responsibilities fully because the cause they are defending is just and well-founded. It is just and well-founded because its objective is to put an end to the present economic situation, which is marked by the gravest and most profound economic crisis the world has known since the Great Depression, with its train of economic recession, unemployment, widespread monetary inflation and intolerable instability of the terms of trade.

197. In this context, the economies of the developing countries continue to deteriorate and the gap between the rich countries and the poor countries keeps widening. The cause which the developing countries are defending is just, for their struggle is not directed against the industrialized countries.

198. As Colonel Jean-Baptiste Bagaza, President of the Republic of Burundi, declared on 26 September 1979 to the General Assembly:

“...this struggle for economic liberation by the third-world countries is not directed against the industrialized countries.

“The claims of the developing countries are in fact those of having the sovereign right to their own resources, the establishment of machinery for stabilizing the prices of primary commodities which they export, the creation of reasonable conditions of access to the international market, the transfer of science and technology to the developing countries, the reform of the international monetary system and finally international co-operation free of any alienation or humiliation.

“These demands by the third-world countries take real account of the interdependence of nations and the complementary nature of world economies.” [9th meeting, paras. 59-61.]

199. In these circumstances, the developed countries should not adopt a defensive attitude in international negotiations. They should rather resolutely commit themselves to the irreversible process of democratization of economic relations and co-operate on a basis of equality with the developing countries. The Burundi delegation therefore wishes to appeal to these developed

countries to show moderation and maturity in the North-South negotiations. Indeed, the fate of mankind resides not in confrontation and the inequality of States but in their interdependence and solidarity.

200. Mr. B. DIOP (Senegal) (*interpretation from French*): The Senegalese delegation welcomes the decision taken by our Organization to take up this agenda item for the second time in the plenary meeting of the Assembly.

201. It at least shows that the international community is increasingly politically aware that the crisis persisting in the world economy is a challenge which we must all meet if we truly wish to establish a lasting peace and a socio-cultural international climate favourable to the development of man, of the whole of mankind.

202. I should like to put on record here our appreciation for the tireless efforts of the Chairman of the Committee of the Whole, Mr. Stoltenberg, and those of his predecessor, Mr. Jazairy, to reach a reasonable consensus acceptable to all.

203. In setting up the Committee of the Whole, which is entrusted with the task of encouraging the process of negotiation within the context of the establishment of the new international economic order, our Assembly wished to eliminate the difficulties which were responsible for the failure of the Paris Conference on International Economic Co-operation, for—and we must accept this—in spite of a favourable international climate brought about by the hopes raised by the fruitful discussions at the sixth and seventh special sessions of the General Assembly, the Paris Conference was not able to prepare a suitable basis for the establishment of a just and equitable new international economic order, thereby giving rise to a feeling of disappointment and frustration within the world community, particularly in the developing countries.

204. We shall not comment on the difficulties which developed during the first year of the existence of the Committee of the Whole because of the different interpretations of the nature and the scope of the mandate entrusted to it. Let us deal rather with the results of its last three sessions.

205. The consensus which emerged during the first session relating to the transfer of real resources to the developing countries fell far short of the legitimate claims of the Group of 77, as regards in particular public development aid and international monetary questions.

206. While the agreement on world food problems and agricultural development is certainly a step in the right direction, it in no way covers all the concerns of the developing countries and its limits will soon be apparent in the interpretative declarations issued by certain developed countries.

207. With regard to the third session which, as we know, was devoted to the consideration and development of the main factors affecting the world economy, the Lima Declaration and Plan of Action on Industrial Development and Co-operation and the study of the results of the fifth session UNCTAD, the balance sheet is even more disappointing, some developed countries

going so far as to challenge the concepts that had been accepted by everyone, such as those of priority assistance to the most affected or least developed countries and the easing of the burden of external debt.

208. Hence the problem of the real usefulness of the Committee of the Whole arises. Should it continue to provide a vast forum where one would come to pursue the perpetual process of evaluating and re-evaluating the crisis in the world economy which is affecting everyone, rich and poor? We for our part rather believe, along with the Group of 77, that there could be no better body for the preparation of the special session of the General Assembly scheduled for 1980. All the countries Members of our Organization should resolutely commit themselves to work within the context thus provided for the search of a solution that would put an end to the continuing deterioration of the economic, trade and monetary climate, which causes a constant widening of the existing gap between developed and developing countries.

209. For, while it is true that at present the only alternative is co-operation or confrontation, it is no less obvious that the only alternative to the maintenance of unjust and outdated privileges, which lead to crises with dangerously unforeseeable consequences, is the establishment of a just new international economic order based on objective and freely accepted concepts of international interdependence and human solidarity.

210. The developing countries have already made their choice by adhering without reservation to the decisions of the sixth and seventh special sessions of our Assembly and to the provisions of the Charter of Economic Rights and Duties of States. They have demonstrated their political will by expressing their desire to start a new series of global negotiations on international economic co-operation for development within the context of the United Nations system. Their proposals have been presented here very lucidly and concisely by the representative of India, Mr. Narayanan, spokesman for the Group of 77. The ball is now in the court of the developed countries.

211. The continuing deterioration of the international economic situation, the persistence of injustice in the current economic climate, the instability in the international monetary system—all these are warnings to our community concerning its own survival. The interdependence of all the nations of the world is an undeniable fact, even if some are doing their utmost not to recognize it.

212. Mr. TSHERING (Bhutan): Earlier this month, at the 4th meeting of the Second Committee, Mr. Dadzie, Director-General for Development and International Economic Co-operation, reminded us that 10 years have passed since the General Assembly adopted the International Development Strategy for the Second United Nations Development Decade, and that five years have passed since the General Assembly met in special session and issued the Declaration and Programme of Action for the Establishment of a New International Economic Order. Next year the General Assembly, convening once again in special session, will seek to give new impetus to the establishment of the New International Economic Order, including the adoption of a new international development strategy for the 1980s and beyond.

213. The Ministers for Foreign Affairs of the Group of 77 in their Declaration of last month [A/34/533 and Corr.1, annex], expressed disappointment and frustration at the lack of any worthwhile progress in the negotiations in different forums. The Ministers felt that the report of the Committee of the Whole should be examined in depth in the plenary meeting of the General Assembly. My delegation is therefore pleased to see that this item is being considered in the plenary meeting. In taking this position, the Ministers of the Group of 77 were guided by their concern at the fact that the world economic situation is drifting towards chaos and disorder. Indeed, progress in the work in the Committee of the Whole has been painfully slow.

214. In the light of this situation, my delegation would urge the Assembly to adopt the proposal of the Group of 77 concerning global negotiations relating to international economic co-operation for development. In our opinion, this provides a fresh way of dealing with the serious problems. In this respect, my delegation fully endorses the views expressed by Mr. Narayanan, the representative of India, as current Chairman of the Group of 77 [40th meeting].

215. We believe that successful negotiations are as essential for the developed economies as they are for the developing ones. The dimensions of the problems have been outlined in many useful documents before us. The *World Development Report*, published annually by the World Bank, contains a series of surveys of the problems and prospects of developing countries. In fact, commenting on findings contained in the first volume of this series of reports, which was published last year,⁹ *Le Monde* called the report "... staggering ... having the merit of putting unpleasant truths before the eyes of the powerful".

216. We all are familiar with the dimensions and enormity of the problems before us. We must not waste any more time in analysing the problems. They are both urgent and complex and cannot be resolved by demonstrating unwillingness to negotiate or by prolonging the process. In this respect, the President of the United Republic of Tanzania, Julius Nyerere, said early this year at Arusha: "Changing the world order is a process. It can be speeded, it can be directed and it can be made less turbulent."

217. With this in mind and to speed up the negotiating process, the General Assembly adopted resolution 32/174. The resolution, *inter alia*, requested the Committee of the Whole, in paragraph 4, to provide

"(b) ... impetus for resolving difficulties in negotiations and for encouraging the continuing work in these bodies;"

and to serve,

"(c) ... where appropriate, as a forum for facilitating and expediting agreement on the resolution of outstanding issues".

218. Despite statements by the developed countries that they now have a better understanding of the problems of the developing countries, there is no light at the

⁹ *World Development Report, 1978, World Bank (Washington, D.C., 1978).*

end of the tunnel. The continuing dialogue has intensified the developing countries' frustrations. The developing countries are witness to the reluctance of the developed countries to adopt effective measures to implement agreed resolutions.

219. Consequently, even at the end of the Second United Nations Development Decade, the agreed targets remain unattained. According to World Bank statistics, the public external debts of 96 developing countries have reached a total of \$253 billion.¹⁰ The discouraging results of the fifth session of UNCTAD and the recent meetings of the Committee of the Whole and the Preparatory Committee for the New International Development Strategy indicate the magnitude of the problems ahead of us.

220. We agree with the Secretary-General of the United Nations when, in his report on the work of the Organization, he says:

"In the face of obviously pressing economic needs, such slow progress in negotiations is unacceptable. It is essential that all States should take urgent heed of the dangers of delay and reassess their positions in the light of their long-term interests and needs." [See A/34/1, sect. V.]

221. We must not allow this sense of frustration to prevent us from moving towards the desired goal of economic and social development with its obvious benefits to developed and developing countries alike. It seems even more true today that there can be no real or lasting peace unless an over-all development of all countries creates the conditions necessary for the well-being of all peoples. We must examine the inadequacies of past approaches and policies and use this knowledge to develop new strategies.

222. Economic development since the Second World War has been characterized by rapid progress in the economies of the developed nations. The developing nations, deprived of capital and technical know-how, and with their colonial legacies of the past, have scarcely managed to extricate themselves from the serious problems of under-development.

223. The results are that 80 per cent of the world's trade and investment, 93 per cent of the industries and almost 100 per cent of the research are managed by the developed nations. The developing countries have 70 per cent of the world's population and a mere 12 per cent of the gross world product. They have a *per capita* income of \$150 or less as against an income of over \$6,000 in the developed and rich countries.

224. Indeed, these figures are symptomatic of underlying structural imbalances inherent in our global economic relations. These fundamental imbalances cannot be corrected unless there is a profound restructuring of the global economic system. Many developing countries see no way of coping with the present multiplying effects of unemployment and underemployment, runaway inflation and expanding debt service. The result is an inevitable widening of the gap between rich and poor nations.

225. The darkening clouds over the world economic situation portend a discouraging future. We must work together to ease our common problems. Indeed, we must work together, rich or poor, big or small, developed or developing, to find solutions. In our interdependent world, problems in one area inevitably affect development in other areas.

226. We were encouraged by the resolutions adopted at the sixth and seventh special sessions of the General Assembly which contained some of the guidelines for confronting the global challenge. The preamble to resolution 3362 (S-VII), which was adopted by consensus, states the belief that:

"... the over-all objective of the new international economic order is to increase the capacity of developing countries, individually and collectively, to pursue their development".

This, we believed, could be an immense help in overcoming some of our difficulties, but this sound principle has yet to be implemented.

227. Although we are aware that primary responsibility for development rests with each of the developing countries, the success of their efforts depends upon the input and support of the rich nations. In a world of growing interdependence, all participants in the world economic system would benefit from balanced economic growth. All countries therefore bear responsibilities for development and the elimination of poverty, hunger and ill-health in the world. But we believe that responsibility should increase with the growth of a country's wealth and economic capability. It is now apparent that the world's problems cannot be solved without also solving the problems facing the developing countries.

228. Unless suitable measures are taken immediately, the economies of the developing countries will continue to weaken at a rapid rate. Some of the reasons for this weakening of economic growth are sluggish export earnings and deteriorating terms of trade. There are uncertainties regarding external financing and obtaining appropriate terms of trade which inevitably place restrictions on the import policies of most developing countries. This already complicated situation is now being exacerbated by energy-related problems. The dark shadow over the economies of the non-oil-producing developing countries is a precursor of an even darker future. In view of this, we believe that the proposals contained in the statement by the President of Mexico should be examined carefully and given practical expression so that the international community may not have to face greater problems in the long run. The negative effects of energy-related problems fall heavier on the poorer, developing countries which suffer not only because of their oil-import bills but also because they must pay higher prices for imports from developed countries. In turn, this drain on limited foreign exchange earnings reduces the availability of their capital development resources.

229. In summary, we agree with the Secretary-General of the United Nations that determined action by the international community is required in three areas, where we need

¹⁰ World Bank, *Annual Report 1979*, (Washington, D.C., 1979), p. 14.

"... to organize our efforts to bring the negotiations on the implementation of the new international economic order out of their present state of stalemate;

"... to launch a co-ordinated and imaginative effort... in [the] field [of energy];

"... to address the urgent problems of the oil-importing developing countries in a concerted and effective way." [*Ibid.*]

230. The situation is at its worst in the least developed and land-locked developing countries owing to the present global economic crisis. The global economic upheavals have serious adverse effects on their economies. They are faced with the situation of having to pay increasingly high transportation costs and with the effects of inflation transferred to their imports. Thus, we welcomed the decision taken at the fifth session of UNCTAD to launch a comprehensive and substantially expanded action programme in favour of the least developed countries.¹¹ Despite the recent failure to adopt a concrete action programme in the Committee of the Whole, we hope that a programme of action will be implemented with a sense of urgency and also closely integrated into the new international development strategy.

231. The Kingdom of Bhutan is a land-locked developing country. In our efforts towards economic development we attach great importance to the development of road transport and communications.

In fact, quick means of transport facilities, trade and transit are vital for the well-being of our people and the success of our development programmes. Thus, the importance of transport and transit facilities for land-locked developing countries can hardly be over-emphasized. Knowing those problems, we endorse the Transport and Communication Decade in Africa. We hope that the international community will appreciate the urgency and importance of the programme of action for the Decade¹² by demonstrating its strong commitment and support for it.

232. Those special measures are required in order to overcome the critical problems and obstacles facing their trade and development. While land-locked countries have *inter alia*, basic problems of transit and transport, the island developing countries have problems of inter-island communication and transshipment. It is clear that the solutions to the problems of those countries require far more intensive efforts at the national, regional and international levels.

233. The international community has recognized that, because of their unfavourable geographical situation, land-locked countries have to bear additional transport and transit costs in their external trade. The facilities available to them in transit countries are by no means adequate since most transit countries in the regions concerned are themselves among the most seriously affected developing countries. Therefore, in-

ternational action is necessary to assist those countries in improving their transport, communication and transit needs in the face of such urgent problems. Although there are in existence a number of resolutions, decisions and declarations aimed at helping the land-locked countries in accelerating their economic development, we are disappointed that most of them remain simply expressions of intention. The United Nations Special Fund for Land-locked Developing Countries established in 1975 by General Assembly resolution 3504 (XXX), became operational in 1976; but received only \$28,375 at the 1978 United Nations Pledging Conference for Development Activities.

234. We urge that the resources of the Special Fund be sufficiently augmented at the next Pledging Conference to enable them to be used for the purpose defined in the statute, which is to

"... offset the disadvantages created by the additional transport and transit costs facing the land-locked developing countries;

"Provide financial and technical assistance for projects aimed at... [improving]... transport and related transport facilities and arrangements" [see resolution 31/177, annex].

235. The commitments to augment the Special Fund will go a long way towards alleviating the special problems and difficulties faced by the land-locked developing countries in their development efforts. Since the establishment of the Special Fund, many land-locked developing countries, including Bhutan, have presented project proposals to UNDP, but for lack of funds many sound projects unfortunately remain unrealized. In this regard, at the twenty-sixth session of UNDP which was held at Headquarters in June and July of this year, the Administrator said that the resources available to the Special Fund were meagre. He further stressed that the over-all need of the developing countries for special assistance was clearly much larger than the resources available to the Special Fund and, therefore, General Assembly resolution 33/85 urging Member States to contribute to the Fund took on special significance. He hoped that supporters of the Fund would continue to support it and would increase their contributions substantially.

236. I wish to mention here that most of the land-locked developing countries are also among the least developed. This is clear evidence of the urgency of the need for the international community to alleviate the problems of land-locked countries if it desires to assist the least developed countries in a serious and meaningful way.

237. In conclusion, I wish to place on record the appreciation of my delegation to the delegation of Norway, and in particular to Mr. Thorvald Stoltenberg for the efforts he has made in his capacity as Chairman of the Committee of the Whole. We also wish to express our appreciation to those developed countries that have been able to initiate a constructive attitude and lend support in implementing the Programme of Action envisaged in the New International Economic Order, and our hope that others will also emulate their good example.

238. We believe that, as Lord Buddha has said, "Where there is a will, there is a way"—which, we hope, will prove true in respect of the desire of the inter-

¹¹ See *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), annex I, sect. A, resolution 122 (V).

¹² See document E/1979/77, part VI, resolution ECA/UNTACDA/Res.79/1.

national community to establish the New International Economic Order and to launch an action-oriented new United Nations Development Decade beginning in 1980.

239. Mr. MAPP (Barbados): The world economy is in deep trouble, and the prospects for its future condition also appear grim. The analyses which we have had from both within and outside the United Nations system have confirmed this. Our efforts undertaken thus far to revitalize the world economy have been miserable and poor. We have yet to take the necessary positive action to restructure fundamentally the global economy with a view to revitalizing it and establishing a more equitable, just and stable international order.

240. For the second consecutive year, the pace of economic activity in the world economy has weakened. In almost every area, economic problems have multiplied. Many countries have experienced unacceptable levels of inflation and unemployment, while exchange rates have been unstable and volatile. Increased protectionism in the developed countries has been rampant, and international trade has stagnated. In the industrialized countries, economic growth has been erratic.

241. For most developing countries the situation has been a frustrating one. We have found it impossible to finance what we consider to be reasonable rates of development. Certain financial flows which are subject to political decision, especially official development assistance and long-term flows from multilateral institutions, have lagged behind the expansion of other types of flows, with the result that some countries have had difficulties in meeting their financial requirements.

242. The lower income countries, which have limited or no access to private capital markets, have had to undergo a drastic process of adjustment. On the other hand, in those countries with access to private capital markets the composition of flows has shifted sharply in favour of short and medium-term bank financing. The cumulative effect of this uncertainty as to the availability of financing in the future, together with high and ever-growing international inflation, has seriously hampered the development efforts of many developing countries.

243. Overshadowing all these problems today is the issue of energy shortage and rising prices. The energy problem, as was noted by the Secretary-General in his current report on the work of this Organization [A/34/I, sect. V], has emerged as a central and immediate concern of all nations. It has deep structural and social implications for developed and developing countries alike.

244. The critical state of the world economy and the grim prognosis of its future condition as well as our hitherto paltry and miserable efforts in promoting international economic co-operation present us, as members of the international community, with a very serious challenge. This challenge is the urgent need for us to take positive action in tackling the problems which are crippling the world economy.

245. My delegation believes that a full and genuine acceptance of this challenge demands that there be first a conscious recognition on the part of all countries of the

growing and real significance of the interdependence of the developing and the industrialized countries. Too often, we have heard fleeting reference made by various delegations, particularly those of the developed countries, to this concept. But unfortunately it has not as yet had that pervasive influence on the Governments of those countries that was hoped for. They persist in adopting various economic decisions and measures in their respective countries which continue to have adverse effects on other economies, especially those of the developing countries.

246. Global interdependence requires that there be a full recognition on the part of all countries of the need for continuing structural change in the world economy. It provides for recognition of the vital contribution of trade to long-term growth in productivity rather than the current concern with short-term disruptions caused by shifts in trade patterns. It provides for acknowledgment of the benefits of accelerated progress in the developing countries rather than fear caused by the spectre of shifting economic strengths. It lays emphasis on strengthening institutional capacity for financial intermediation in line with global needs. Global interdependence implies responsibilities and benefits to be shared by all countries.

247. It is therefore crucial that Governments fully understand and appreciate what interdependence is all about, for it is only through a full recognition and acceptance of this, together with a display of genuine political will on the part of all countries, that we shall be able to achieve the kind of international economic co-operation which will enable us to restore proper growth to the global economy and thus place it on a sound and viable basis.

248. I have mentioned earlier that our efforts to date in promoting international economic co-operation have left much to be desired. We have reached a stage at which there is stagnation in the so-called North-South dialogue on the many crucial economic issues and problems confronting us. But we have failed utterly to achieve any meaningful breakthrough on these problems. And it is not because we did not possess the capacity to achieve something significant. Rather, our failure to achieve anything meaningful has been due to the lack of genuine political will on the part of Governments to commit themselves to taking the necessary action.

249. Too many of us, developed and developing alike, continue to be influenced in our thinking by narrow self-interest. It was precisely this kind of self-interest and mistrust that prevented us at the fifth session of UNCTAD from achieving any progress on the fundamental structural issues of North-South relations. Similarly, we have also failed in the Committee of the Whole and in the Preparatory Committee for the New International Development Strategy and we have witnessed only limited results in the United Nations Conference on Science and Technology for Development, which was held at Vienna in August this year.

Mr. Salim (United Republic of Tanzania) resumed the Chair.

250. The critical question is: where and how do we go

from here? My delegation believes that the only way for us to rescue the world economy is to initiate immediately a full, constructive and genuine dialogue on the vital issues of structural change, energy, trade and monetary reform. I say a genuine dialogue. By that, I mean one in which we do not just reiterate national positions but rather engage in serious and meaningful negotiations with a view to reaching a satisfactory resolution of the issues involved. This presupposes recognition by all participants of a fact which is basic to any serious negotiations — namely, that negotiations are a two-way process. They do require a readiness to understand the other side and a willingness to give and take.

251. The Group of 77 has come up with an important new proposal for a fresh round of global negotiations relating to international economic co-operation. As was stated by the representative of India, the spokesman for the Group of 77, we, the developing countries, place high value on that proposal. It reflects our deep political commitment to the task of seeking to establish a New International Economic Order based on equity, sovereign equality, interdependence, common interest and co-operation among all States. Similarly, we should like to invite all Members of this Organization to pledge their fullest support for that proposal and to be prepared earnestly and effectively to participate in those negotiations during the months ahead.

252. Barbados believes that there could be no occasion more auspicious for the taking of such a decision than this thirty-fourth session of the General Assembly.

253. Mr. STEPHANIDES (Cyprus): As we move on with the consideration of this important item, I wish first to avail myself of this opportunity to thank the Chairman of the Committee of the Whole, Mr. Thorvald Stoltenberg, for his comprehensive statement of 18 October on the work of the Committee of the Whole. Undoubtedly Mr. Stoltenberg succeeded in giving us a clear picture of the situation as it has developed up until now.

254. The present debate opens against a background of increasing economic tensions and a worsening world economic situation that makes the agenda item before us one of exceptional importance to the international community.

255. The world community is today faced with an economic crisis of grave proportions. The most affected and burdened by this persistent economic crisis are, as we all know, the developing countries, which bear the most serious consequences of a slow-down in growth rates, of inflation, of higher prices for manufactured goods and basic raw materials, of monetary instability and protectionism. All these developments put ever-increasing pressure on the economies of the developing countries, and especially on their balance of payments. Thus one notes with concern that in four years the international debt of developing countries has more than doubled, while during those same years the North-South dialogue has unsuccessfully tried to give effective form to the provisions of the New International Economic Order.

256. Similarly, one cannot but be distressed at the fact that all efforts aimed at the restructuring of the economic order exerted at the sixth and seventh special sessions of the General Assembly, at the fourth and fifth sessions of UNCTAD, at other United Nations

conferences, at meetings of the Committee of the Whole, as well as at the Conference on International Economic Co-operation, have remained inconclusive.

257. There is no need for me to expound on the repeated failures of negotiations in the North-South dialogue, failures due largely to the lack of political will on the part of certain Governments whose verbal commitment to making progress in the North-South dialogue is not always reflected in concrete measures for the creation of a just and equitable economic order. This point was elegantly illustrated by Mr. Dadzie, Director-General for Development and International Economic Co-operation, in his statement of 1 October 1979 before the Second Committee, when he said that "the difficulties lie less with the mechanisms and modalities of the [North-South] dialogue than with the political commitment of Governments to the principles of the New International Economic Order."¹³

258. The need determinedly to seek and promote long-overdue measures to solve the array of economic problems that face all of us today cannot be over-stressed. It is clear that we must stress them and revitalize the North-South dialogue in order to give true form to the provisions of the New International Economic Order.

259. It is against this grim background that the proposal of the Group of 77 has emerged for the launching of a new round of global negotiations based on the decision taken at the Sixth Conference of Heads of State or Government of Non-Aligned Countries. This proposal could well be described as offering the much-needed impetus for initiating progress towards restructuring world economic relations on an equitable and just basis.

260. We view the proposal of the Group of 77 on global negotiations as the most effective approach within an international perspective and a multi-issue framework to give new momentum to the stalemated North-South dialogue. That proposal presents perhaps the last opportunity to achieve progress on the restructuring of world economic relations through international economic co-operation. Not to choose to follow that new initiative would raise doubts as to our resolve and commitment to proceed with concrete steps towards the establishment of a New International Economic Order, and it would at the same time constitute a regrettable sign of lack of foresight.

261. I should be remiss if I were not to draw attention to the problems faced by the most seriously affected countries which, despite their having been recognized by the international community since 1974, remain unattended. As is stated in the report of the Committee of the Whole,

"per capita food production in these countries declined during 1970-1978 and their per capita incomes have remained almost stagnant . . . [while] food aid and emergency assistance to these countries have fallen far short of their requirements." [See A/34/34, part three, annex IV.]

262. It is a grave fact that very little has been done to alleviate the substandard economic conditions of those countries. Immediate steps must be taken by the international community, in particular the developed na-

¹³ See document A/C.2/34/4, p. 8.

tions, to foster measures for immediate and long-term development aid.

263. May I, in concluding, reiterate our firm belief that positive results could emerge only if both developing and developed nations approached the various issues in a spirit of mutual accommodation and understanding to the benefit of all. I can assure the Assembly that Cyprus will not fail in its modest way to make a meaningful contribution in this regard.

264. Mr. FILALI (Morocco) (*interpretation from French*): The report of the Committee of the Whole, which is now before the Assembly, reflects the state of the discussions that have taken place at the three sessions of this body. We cannot take note of that report without congratulating the Chairman for the efforts he has ceaselessly deployed to bring to a successful conclusion the exchange of views that took place in this regard.

265. The alarming condition of international economic relations and the imbalances and injustices that characterize trade between the developed and the developing countries should have triggered substantial progress in the North-South dialogue, but—and this is unanimously acknowledged by most delegations—that dialogue is now deadlocked, as can be seen in the work of the Committee of the Whole.

266. It will be recalled that from the outset obstacles began to appear and, instead of embarking on its agenda and proposing concrete measures, the Committee of the Whole became bogged down in interminable discussions concerning the definition of its mandate. Subsequently, after this important preliminary matter had been clarified, the Committee was able to pursue its work and draw up the report that is now before us but without having achieved any tangible results.

267. True, a text was elaborated concerning the transfer of real resources to developing countries. It reaffirmed the need for industrialized countries to grant official assistance to development amounting to 0.7 per cent. The agreed conclusions in this respect rightly note, however, that:

“...the performance of the developed countries taken as a group with respect to the 0.7 per cent target of official development assistance has declined to a still lower level.” [See A/34/34, part one, para. 13.]

Moreover, we know that this goal was fixed in the early 1960s and it would require considerable optimism to view the text drawn up by the Committee of the Whole as representing any real progress.

268. The report reveals other deficiencies. For example, no compromise was reached with regard to the problem of industrialization. Where world food problems and agricultural development are concerned, the report merely repeats what was agreed during the World Food Conference and at the meeting of the World Food Council.

269. Real progress would have consisted not in reiterating what had already been achieved in other bodies, but rather in establishing a precise calendar for achieving agreed goals.

270. We could point out many further shortcomings revealed in the document before us, but it would be tedious to mention them all. If, however, there has been a failure, such failure should rather be blamed on the lack of political determination on the part of the rich countries in the northern hemisphere of our planet.

271. A resumption of the North-South dialogue is all the more necessary in that the world economic crisis is deep and widespread. Today, as yesterday, hunger, disease, malnutrition, illiteracy and high infant mortality continue to prevail in many third-world countries.

272. It is true that development is primarily an internal process. However, the present interdependence of economies and the constant deterioration of the terms of trade of the developing countries are destroying even the most laudable efforts. The dizzying rise in prices for capital goods, together with the maintenance of the prices of raw materials at a preposterously low level—with one exception—seriously affect our economic development plans.

273. Nor have the developed countries been spared the current international economic disorder. It seems to us from our analysis of the situation that a minimum number of common elements are shared by developed and developing countries alike. The over-all crisis in the world economy is affecting all countries, and most particularly the developing countries. There can be no argument about the fact that measures taken by a State or group of States to cope with the situation must inevitably affect the others. Any viable solution must thus be international in scope. Only global negotiations, such as those proposed by the Group of 77, can lead us to solutions acceptable to us all.

274. The draft resolution submitted by the Group of 77 contains a certain number of principles that we view as fundamental and that must serve as the basis for any fruitful dialogue. The third-world countries have thereby undertaken to achieve through negotiations the restructuring of the world economy on the basis of the principles of justice and sovereign equality.

275. We also consider that the special session of the General Assembly in 1980 should be an occasion for embarking on a series of global and sustained negotiations on international economic co-operation.

276. In our opinion, the approach should be global and should deal with the problems of raw materials, energy, trade, development and monetary questions all together. The results sought must be embodied in commitments containing quantified goals and precise deadlines for their achievement. The site proposed for such discussions is the most democratic of bodies, the one in which all States are represented on an equal and sovereign basis, namely, the United Nations.

277. Lastly, it is worthwhile noting that the global negotiations proposed by the Group of 77 are in no way intended to duplicate those at present being undertaken in other international forums.

278. It can readily be seen that our proposals have been thoroughly studied in order to create the best conditions for success. It is high time the industrialized countries gave proof of flexibility in their turn. The

situation is serious enough to require urgent solutions.

279. It would be assuming a grave responsibility to refuse to participate in the dialogue and in the negotiations we are proposing. The future depends on it, whether we be rich countries or poor.

280. Mr. ROCHE (Canada): A few days ago, Mr. Dadzie, Director-General for Development and International Economic Co-operation, said that it has become more imperative than ever that the international community move with vigour and determination to mobilize the political commitment to make progress towards the New International Economic Order; to initiate discussions on energy; to formulate a comprehensive and dynamic International Development Strategy for the 1980s that will comprise a co-operative effort by both developed and developing countries to bring about accelerated development and facilitate structural change.

281. It is in a spirit of co-operation and with a desire to make real progress on substantive issues that Canada joins this debate on the important draft resolution by the Group of 77 [see A/34/34, part three, annex I] suggesting a round of global and sustained negotiations on international economic co-operation for development. That proposal was well put on behalf of the Group of 77 by the Permanent Representative of India, and its potential was highlighted by the Chairman of the Committee of the Whole, Mr. Stoltenberg, who said that it presented us with "a possibility of a new departure in the North-South dialogue which may give fresh purpose and direction to the process of negotiations on global issues in the 1980s." [40th meeting, para. 15.]

282. In the 1970s, we learned much about the interlocking nature of many of the problems at the root of the poverty we all wish to eradicate. We have begun, in many forums, to tackle these problems. Progress has been made. But the enormity of the problem often obscures the progress. Now, as we enter the third United Nations Development Decade, a new process, intended to enable us to cope with the global scale of the issues, is proposed. We must examine that proposal with care in order to ensure that the process will in fact work and that it will help us to make progress in meeting the real problems of developing countries, particularly the poorest. That will be the standard by which to judge the effectiveness of our work. To promote this progress, Canada is quite willing to participate in working out the best means of fostering more constructive discussion and negotiation of matters of particular interest to developing countries.

283. Canada's approach to that proposal is a practical one. It is not necessary here to recount—again—the full range of issues arising out of historical evolution. As a contribution to speeding up the process of bringing economic justice to the millions of people who are denied their full human dignity, let me make just three brief points.

284. First, let us adopt a spirit of full respect for one another as we enter the difficult and controversial discussions. The representative of the United States put it well yesterday when he said:

"The possibilities of success will depend in important measure on avoiding recrimination . . . if we are

serious about negotiations, let us be serious and respectful of one another." [43rd meeting, para. 127.]

We must work to bring about the changes in the world and in our countries that will promote a sharing of resources and a pooling of talents for the benefit of the widest number of people. Naturally, there is a struggle and clash over ideas and systems. It takes a good deal of practice for an orchestra to achieve harmony. However, a strong desire at the outset to find ways to co-operate will be of more benefit to more people.

285. Secondly, the specific nature of the issues and approaches to them has to be defined in order to ensure that new departures in the process of negotiation are practical and constructive. It will be the function of the preparatory process in the Committee of the Whole to explore these issues—on methodology, duration, coverage, priorities and locales. The work of the Committee of the Whole will, of course, also be of critical importance in preparing the way for the 1980 special session on development which will inaugurate the new international development strategy.

286. Thirdly, we should continue to use existing forums while avoiding unnecessary duplication or a slowing down of ongoing negotiations. Close attention should be paid to the interrelationship among issues, and we should recognize especially the way in which the energy issue has an impact on so many questions of development.

287. Finally, the difficult economic problems of developed countries cannot be dismissed as we prepare for further discussion and negotiations. The problems of the North as well as those of the South must be taken into account as we search for the most practical way of making more progress on North-South issues. By the same token, we must recognize from the outset that each of us can only benefit from the strengthening of the economic performance of other countries.

288. Canada will continue its long-standing role in helping the people of developing nations to achieve the economic progress that is their right. We are confident of our own ability to adapt to the changing international environment. In that framework, we join in deepening and extending international economic co-operation.

289. Mr. ROMULO (Philippines): Since I am the last speaker in this debate, it behoves me to summarize in a nutshell what I believe is the perspective that we have obtained by listening to the statements delivered here by our colleagues. I am happy to note the positive statements that have been made, which give us hope that the negotiations that will follow this debate will result in a satisfactory consensus on the proposal of the Group of 77 to launch the new round of global negotiations.

290. I have listened with interest to the statement made by the representative of Canada. Canada is one of the developed countries and the statement made here by its representative—perceptive, far-sighted and low-keyed—speaks well of the desire of that country to co-operate in the establishment of a New International Economic Order.

291. Last year I had the opportunity of addressing the

General Assembly on the question of the mandate of the Committee of the Whole.¹⁴ The debate on that question proved to be a fruitful one. The Assembly was able to reach a consensus on the interpretation of the Committee's mandate, thus breaking the impasse that characterized the Committee's first year of existence and allowing it to carry on the negotiations concerning the transfer of real resources, agriculture and industrial development.

292. Last year's debate demonstrated once again the fact that, in the face of an immediate and pressing need, there is enough room for accommodation and co-operation on the part of Member States and there is no need for recrimination or invective. It also showed that, with determination and a positive and constructive attitude, our common concerns and interests can find adequate expression. So we have successfully hurdled one more barrier in our endeavours to promote a better atmosphere for international economic relations and we have turned another corner in the North-South dialogue.

293. Today, after a year of intensive negotiations in various forums in the field of development, we find ourselves in a somewhat familiar situation. There is a similarity to our situation a year ago, or even a decade ago. This is perhaps understandable because, while circumstances have indeed changed, and quite radically in a number of respects, the fundamental aspects of international economic relations have remained the same over the years. For example, advances in science and technology have tremendously boosted mankind's capacity for increased agricultural and industrial production. At the same time, the world is still divided between a minority of rich nations and the great majority of poor, developing countries.

294. The basic structure of world economic relations which grew out of the Second World War has worked only to the advantage of the developed countries. Attempts to find solutions have failed because at best the remedies tried were either piecemeal or half-hearted. Except in a few exceptional cases, the goals and objectives of the International Development Strategy for the Second United Nations Development Decade were not taken seriously into account by the developed countries.

295. The time has come to show our real sense of purpose and to give substance to our intentions. We can begin with what we have, both in terms of mechanisms and the substantive policy framework that we have adopted on different occasions in the past. The Charter of the United Nations is explicit in placing emphasis on the importance of development when, in Article 55, it states that:

"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 . . .".

296. The 35 years since the adoption of the Charter have given us ample lessons and experience from which to draw up our programme for future action. The International Development Strategy adopted for the 1970s should be a constant beacon to all of us. An even more important document is the Declaration and Programme of Action on the Establishment of a New International Economic Order, which, together with the Charter of Economic Rights and Duties of States and resolution 3362 (S-VII) on development and international economic co-operation constitutes a fountain-head of principles and policy measures that should serve to guide us in our preparations for the new international development strategy for the 1980s. We can add to these the input from more recent world conferences, as well as the contributions of United Nations bodies and other agencies and institutions which have enriched our deliberations.

297. Nor are we wanting in mechanisms and institutions. The broad mandate given by the Charter to the General Assembly has, in fact, made it the central organ of the United Nations system in the field of international economic co-operation. The growing interdependence among nations has brought about a parallel growth in the important role of the General Assembly. Its universal character makes the General Assembly, which is the closest thing we have to a world parliament, the appropriate forum for the consideration of global economic issues. It enables all nations, big and small, rich and poor, to be heard.

298. Moreover, its role has through the years undergone a perceptible qualitative change. Within it and through subsidiary bodies and conferences under its auspices, important negotiations have taken place more and more often. And although one cannot yet assume that the decisions reached have acquired a strictly legal and binding character, they have nevertheless provided a strong framework for action in the field of international economic relations, and a growing number of developed countries have responded by undertaking necessary policy measures in implementation of those decisions.

299. To be sure, the global economic structure that came out of Bretton Woods is still very much with us. We have been only nibbling and chipping at it bit by bit.

300. But I believe we are on the very threshold of an opportunity to pass from one era to another. We have begun another important debate, perhaps the most crucial one. We are assembled to set the stage for our deliberations over the coming few months. We must all, therefore, be clear in our minds about what we want to do. We must think out in distinct terms our objectives and how best we can attain them. In this endeavour time, which is no longer on our side, has become a critical element. We can no longer temporize. We cannot wait. In the words of President Marcos of the Philippines, in his opening address to the fifth session of UNCTAD at Manila:

"We are done with platitudes, with the angry demands and the arrogant refusals, the exhortations, the dramatic declarations, the sweeping programmes. We are done with all of these, and after 20 years we

¹⁴ See *Official Records of the General Assembly, Thirty-third Session, Plenary Meetings*, 38th meeting, paras. 53-70.

must now settle down to some hard and strenuous bargaining.”

301. Are we to fashion out another development strategy that would be foredoomed to fail? Are we about to launch a round of global negotiations that will prove frustrating, or are we determined to overcome our differences? Would it be too much to hope that with pragmatism and enlightened national interest, we shall take advantage of this opportunity to lay out a realistic and comprehensive programme of action that will ensure greater equity and justice for all?

302. I have deliberately avoided addressing myself to specific details of the issues immediately before us. This has ably been done by the representative of India in his capacity as Chairman of the Group of 77. We trust that

our partners from the developed countries will take those details fully into account and, with wisdom and foresight, will help to facilitate the establishment of the necessary mechanisms and arrangements for launching both the new international development strategy and the round of global negotiations. These objectives are well worth our efforts. I know that we can achieve them. We must not fail.

303. The PRESIDENT: We have heard the last speaker for this afternoon and have thus concluded the debate on this item. At a later stage, the Assembly will resume its consideration of agenda item 55 (a) when the draft resolution has been submitted.

The meeting rose at 6.55 p.m.