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President: Mr. Leopoldo BENITES (Ecuador).

Address by Mr. Houari Boumediène, President of the Revolutionary Council and of the Council of Ministers of the People's Democratic Republic of Algeria

1. The PRESIDENT (*interpretation from Spanish*): On behalf of the General Assembly, it is an honour for me to welcome and to introduce His Excellency Mr. Houari Boumediène, the President of the Revolutionary Council and of the Council of Ministers of the People's Democratic Republic of Algeria.

2. I now invite President Boumediène to address the Assembly.

3. Mr. BOUMEDIENE (President of the People's Democratic Republic of Algeria) (*interpretation from Arabic*): The special session in which we are assembled today is the direct result of the worsening tensions at work in international relations. For this reason, its importance and scope are self-evident. The initiative taken by Algeria in calling for the convocation of this session of the Assembly [A/9541] reflects the concerns solemnly expressed at another meeting—a meeting which may be considered as marking a decisive turning-point in international relations. I am referring to the Fourth Conference of Heads of State or Governments of Non-Aligned Countries, held in Algiers last September.

4. Our Assembly bears witness to the fact that these concerns, made more acute and thrown into sharper relief by recent events, are widely shared throughout the world.

5. Before taking up the precise issues on which we are meeting here, it would be well, in order to set our work in its true context, to recall the basic conclusions agreed upon by the heads of State of the non-aligned countries attending that Conference.¹

6. On the occasion of their unprecedented meeting, the non-aligned countries were able to give expression to the

aspirations of their peoples in the form of concrete decisions and programmes of action. Thus they drew the attention of the world community to the new awareness of the peoples they represent, who are confronted by a state of affairs in which their rare occasions for hope are darkened by grave anxieties.

7. At that Conference, the full weight of which can be judged by the number and distinction of the participants, the system which now governs international relations was contested and the passive role so often arbitrarily assigned to the overwhelming majority of peoples was rejected. That Conference gave a new impetus to non-alignment, on the basis of the clearly articulated determination to assure the third world the share to which it is entitled in the conduct of international affairs.

8. The *raison d'être* of non-alignment is the defence of just causes against any and all forms of political hegemony and economic domination. The aim of non-alignment is, above all, the emancipation of all peoples in a context of international co-operation based on the equality of States, the respect of sovereignty and the establishment of a just peace throughout the world.

9. The Fourth Conference noted that in recent years spectacular meetings had taken place among the great Powers, indicating that profound changes had taken place in international relations. The positive aspects of these initiatives have been assessed at their true worth by the non-aligned countries, which have at all times striven to substitute the benefits of peaceful coexistence and of international co-operation for the dangers of confrontation.

10. However, it is abundantly clear that these initiatives correspond essentially to the aims of the developed countries, which are anxious to find a common ground for the settlement of the serious disagreements that divided them hitherto and to create a context of co-operation for reconciling their respective interests. We cannot fail to note that the gradual shift out of the cold war context has not been accompanied by a corresponding improvement in the condition of the countries of the third world.

11. On the contrary, tension and war have been transferred to Asia, Africa and Latin America, which have become the zones where all the contradictions of our contemporary world are concentrated and exacerbated.

12. It was with this in mind that the Conference stressed the urgent need of promoting the establishment of zones of peace and co-operation in the regions of the third world into which great Power rivalries are increasingly transferred and where the security of peoples is particularly threatened.

¹ See document A/9330 and Corr.1.

13. For the countries of the third world the problem of international security can be approached only in terms of the liberation of peoples and of respect for the independence of nations.

14. These considerations are particularly cogent in view of the fact that the increase in the number of independent States, far from leading to a just participation of all in the responsibilities of international life, has led, on the contrary, to an ever greater concentration of decision-making power in the hands of a restricted circle of Powers, and the danger of a new division of the world has begun to loom up again. It follows that imperialist objectives seem to take precedence over the requisites of true democratization.

15. Practices have thus developed which divest international authorities of their true prerogatives and turn them away from their duty to all nations, to the advantage of clubs made up of a small number of privileged States enjoying discretionary powers in the handling of major international problems. In this respect the discussions on disarmament provide an example of this restrictive approach to the problems which concern all mankind—an approach by way of alignments aimed solely at restructuring power relations among the major States.

16. In this particular context it is the aim of the non-aligned countries, with a view to ensuring the conditions for true world-life security, to arrive, through a world-wide conference, at general and complete disarmament, which implies not only the prohibition of nuclear testing and the destruction of nuclear stockpiles but also the dismantling of military bases and the withdrawal of foreign troops from all the regions of the world.

17. Today, international relations are dominated by a many-faceted world-wide confrontation which pits the forces of liberation against the Powers of domination and exploitation, and these Powers in fact pose a renewed threat to recently acquired independence whenever their privileges are contested. Thus points of tension multiply and new conflicts mount in the regions of the third world which are of major strategic significance in the present world situation.

18. In a Viet-Nam severely tried by a prolonged imperialist war, the implementation of the agreements to end the conflict is continually being compromised by new manoeuvres designed to reverse by other means, the results achieved by the Viet-Nameese patriots in their struggle. The non-aligned Conference has reaffirmed its support of the efforts of the Provisional Revolutionary Government of the Republic of South Viet-Nam, the sole authentic representative of the South Viet-Nameese people.

19. In that same region, the Khmer people manifest the same refusal to yield to imperialist plots, and the struggle they are waging bears witness to the will of the countries of the third world to remain the masters of their destinies. This struggle did not fail to meet with support in the non-aligned Conference, which restored the rights of the Royal Government of National Union, under Prince Norodom Sihanouk, as the legal Government of Cambodia.

20. These wars of aggression are most intolerably reflected in the survival of colonialism and of racial discrimination. The Fourth Conference of Heads of State or Government of Non-Aligned Countries has paid particular attention to this dramatic situation, which affects the lives of millions of men and the dignity of all peoples of the third world. The Conference adopted a special declaration on the struggle for national liberation and vigorously proclaimed the determination of the non-aligned countries to mobilize all possible means to support the liberation of the peoples of Asia, Africa and Latin America.

21. The time has come for the international community as a whole to shoulder its responsibilities in this area, to go beyond mere formal condemnation and to proceed actually to implement the numerous resolutions of the United Nations aimed at liquidating colonialism and *apartheid*. Any other attitude would be no less than an abdication amounting to downright collusion with the régimes which persist in using violence in order to uphold a system of domination, whose degrading character reflects on those that support or tolerate it.

22. In this respect the proclamation of the independence of Guinea-Bissau is both a triumph that provides encouragement for all national liberation movements and a proof of their efforts. It calls upon us to give our support and solidarity, in particular through recognition of the Government of the new State and its admission to the United Nations.

23. Since the Fourth Conference was held, two extremely serious events have occurred, one in South America and the other in the Middle East, both illustrative of imperialist methods. They confirm and justify apprehensions as to the permanent danger which hangs over the security and independence of the third world.

24. Chile has been the tragic arena of an imperialist plot fostered by the multinational corporations leading to the destruction of the democratic institutions of that country and to the heinous murder of President Salvador Allende, who had given the world an example of devotion and self-sacrifice in the service of the Chilean people's aspirations to freedom and justice.

25. With regard to the Middle East, in the wake of the October war, a logical and inevitable result of the Zionist policy of constant aggression and annexation, we must now ask ourselves whether steps toward a definitive settlement of the problem are in fact under way, or whether imperialism intends once again to maintain the *status quo* and confront the world with new faits accomplis.

26. The choice, however, is clear—either a move towards lasting peace, which, as was stressed by the Conference, necessarily implies the evacuation of all occupied Arab territories and the recovery by the Palestinian people of its national rights, or else further recourse to expedients and dilatory tactics, involving once again the sacrifice of the rights of peoples, the postponement of all solutions and continued humiliation and degradation.

27. It is clear that the second alternative will lay the ground for further wars, the consequences of which will be

particularly dire for international peace and security since false hopes will have been fostered by the prospect of a just settlement in accordance with the aspirations of the Arab peoples, in particular those of the people of Palestine who directly bear the brunt of Zionist aggression.

28. It is against the background outlined in the few telling examples I have selected that our debate opens today in this Assembly. Inasmuch as they have been the subject of careful study by the Heads of State or Government of non-aligned countries, those examples can cast a useful light on our discussions, thereby better enabling us to grasp the nature, scope and implications of the major economic problems with which we are faced and to which we are in duty bound to find the most appropriate solutions without delay.

29. While man inaugurated the present decade by conquering space, demonstrating by that prestigious achievement that his scientific and technological capacity is on a par with the most difficult problems posed by nature, his failure in the face of the dramatic problems of deprivation and poverty that beset the world remains total.

30. Posed a quarter of a century ago by the community of nations as one of the major world priorities, the problem of development has today become the priority of priorities we must all face, without further delay, if we wish to avert the tragic possibility that this problem might one day become a source of uncontrollable conflagration.

31. Any real political determination to launch a frontal attack on the problem of development should in the first place recognize the allocation of world resources as a central issue. In other words, any approach to a concrete, definitive solution to the problem implies as a prerequisite that an appropriate stand be taken regarding the recognition of human priorities. This should in the end lead to a profound reorganization of economic relations between rich and poor countries, tending toward a distribution of the benefits of growth and progress—a distribution which, in order to be equitable, must be in accord with the needs, priorities and legitimate interests of the parties concerned.

32. However, it is inevitable that we should recognize first that in the world in which we live all the strings of the world economy are in the hands of a minority composed of the highly developed countries. By virtue of its dominant position this minority proceeds at will to determine the allocation of world resources in accordance with an order of priorities of its own. As a result of that situation, the process whereby some continually grow richer while others founder in destitution has come to be raised to the status of some sort of universal law.

33. The will to gain and cling to their position of dominance over world resources has been the guiding principle in the behaviour of the major imperialist Powers of the world. Under multifarious guises the colonialist and neocolonialist phenomenon has at all times revolved about the issue of the appropriation of world resources by the stronger to the detriment of the weaker.

34. In fact, the colonialist and imperialist Powers accepted the principle of the right of peoples to self-determination

only when they had already succeeded in setting up the institutions and machinery that would perpetuate the system of pillage established in the colonial era.

35. Owing to the fact that the developed countries have virtual control of the raw materials markets and what practically amounts to a monopoly on manufactured products and capital equipment, while at the same time they hold monopolies on capital and services, they have been able to proceed at will in fixing the prices of both the raw materials they take from the developing countries and the goods and services with which they furnish those countries. Consequently, they are in a position to drain the resources of the third world through a multiplicity of channels to their own advantage.

36. That is the basis of the economic order of the world in which we live today. In the eyes of the vast majority of humanity it is an order as unjust and as outdated as the colonial order to which it owes its origin and substance. Inasmuch as it is maintained and consolidated and therefore thrives by virtue of a process which continually impoverishes the poor and enriches the rich, this economic order constitutes the major obstacle standing in the way of any hope of development and progress for all the countries of the third world.

37. All the initiatives taken with a view to providing a solution to the problem of development have met with universally recognized failure, since, at best, they are palliatives rather than concrete solutions.

38. Development aid, such as it has been conceived, doled out and applied over the decades of development—aid that has been derisory and, what is more, never completely materialized—is in marked contrast to another form of aid, the Marshall Plan.

39. Granted within the framework of a politico-military alliance concluded in the context of the cold war, Marshall Plan aid, which was dispensed by one developed country for the benefit of other developed countries, and nine tenths of which consisted of grants, amounted to 3 per cent of the gross national product of the United States of America. That aid, which was put into effect fully and rapidly, shows that in the developed countries financial means can be readily mobilized when there exists the political will to do so.

40. Actually, development has taken place at the slowest rate in those countries that stand in the greatest need of it.

41. It is significant that the Fourth Conference of Heads of State and Government of Non-Aligned Countries, in noting the failure of the International Development Strategy for the Second United Nations Development Decade, imputed this failure primarily to the lack of political will on the part of the wealthy countries, ignorance of the real concerns of the developing countries and the inadequacies of international economic co-operation.

42. The time has come for these problems to be clarified and for each one to assume the burden of his own responsibility.

43. A decision to place development action within a dialectic of struggle on the international level and a resolve to count first and foremost on oneself and one's own resources on the domestic level are emerging more and more clearly as the two chief components of the only course open to the developing countries.

44. Algeria for its part has chosen this course and has persevered in it unflinchingly. The development strategy pursued today by the Algerian Revolution emerged as an extension of the struggle for national liberation and constitutes the most deeply significant expression of this struggle.

45. Immediately upon recovering their sovereignty, the Algerian people applied themselves to carrying out the vast undertaking of recovering their natural resources, in order to enable the State and the people to take actual control of the national economy into their own hands.

46. Thus my country took a certain number of steps: such as the nationalization of the mining industry, the nationalization of land, the taking over of all means of production in the basic sectors of the national economy, and the taking of decisions instituting State control over the petroleum industry and, in particular, subjecting the fixing of oil and gas prices to the exclusive authority of the State.

47. All those measures, working hand in hand with the democratization of education and the transformation of social and economic structures in rural areas, led to the creation of a new type of production relationship and to the gradual mobilization of the country's full capacity with a view to accelerating the process of development, in harmony with a scale of values in which the economy is a means, and social and cultural progress is an end, for every citizen.

48. Our experience stems neither from a postulate arbitrarily laid down nor from any theoretical argument; it is the result of the lessons that history teaches about the misfortunes of nations dominated by foreign interests.

49. The results that we have achieved today through the process of the recovery, upgrading and processing of our petroleum resources are the fruit of an intense, sustained effort in which we persisted for years, and of the sacrifices that we have made. The struggles in which we engaged before achieving our goals exposed us over and over again to severe difficulties and considerable risks, so that the results of which we are reaping the benefits today are above all the gains of the Algerian people, who have paid their price and are resolved to defend them.

50. Many industrialized countries, and by no means the least of them, are at present concerned over the danger brought to bear on their economies and their independence by the hegemony of the dominant economies. They are already beginning to take steps in order to become masters in their own houses.

51. As far as the third world is concerned, we are living just at a time when the raw-material producing countries—countries that also insist on being masters in their own houses, so as to collect the harvest of their natural resources

and devote it to their own development—have joined several battles to this end. But the first successes met with in this area immediately involve our countries in a new and decisive phase of their fight for emancipation.

52. It is essential, therefore, that we should not lose sight of the fact that the effort to bring the task of recovery to fruition will remain without effect so long as international monopolies and multinational corporations—those past masters at the art of making concessions in order to safeguard the essential—continue to control the multiple mechanisms whereby the wealth of the poor countries is transferred away from them, mainly by the system of price fixing for raw materials.

53. Hence the new battle that has loomed up on the hard road of national liberation.

54. This battle, the latest manifestation of the ongoing confrontation between the dialectic of domination and plundering on the one hand, and the dialectic of emancipation and recovery on the other, revolves around the same ultimate stakes: the control and use of the fruits of resources belonging to the countries of the third world.

55. Immediately following the Fourth Conference of non-aligned countries, which solemnly called upon all the producing countries of the third world to unite in order to protect the prices of their raw materials, no action could have fitted more neatly into the logic of the basic concerns of the developing countries than what was undertaken by the oil-exporting countries.

56. The action taken by the Organization of Petroleum Exporting Countries [OPEC] is really the first illustration, and at the same time the most concrete and the most spectacular illustration of the importance of raw-material prices for our countries, the vital need for the producing countries to control the levers of price control, and lastly, the great possibilities of a union of the raw-materials-producing countries.

57. In this light this action should be viewed by the developing countries not as a problem—in other words, not from the standpoint of those who wish to divide the third world—but as an example and a source of hope.

58. The fact is that, following the decisions taken by the oil-producing countries, the action that should be placed on the third-world agenda is to extend what has been achieved by the oil-producing countries to include all the basic raw materials produced by the developing countries. Moreover—and it is this that is also feared in certain industrialized countries in the guise of the emotion displayed over oil—this very extension has in fact already begun, since in Africa, in Asia and in Latin America, with respect to raw materials and commodities such as copper, iron ore, bauxite, rubber, coffee, cocoa, peanuts and other items, there are already visible, unmistakable signs of a new strength developing in producer's organizations.

59. Yet the promising prospects that are thus opening up before the developing countries in the area of the effective recovery of their natural resources must not cause us to lose sight of the extremely serious obstacles that will not fail to

stand in our way, owing to the consistent attitudes of refusal that we encounter each time that we state our real development problems.

60. The most recent illustration of these attitudes was given us by the conference held in Washington last February.²

61. Above and beyond the arguments that the industrialized countries put forward regarding the fair price of petroleum and the fears that they display over its alleged effects on their economies, what most offends those countries and elicits a violent reaction from them is, first and foremost, the fact that for the first time in history developing countries have been able to take the liberty of fixing the prices of their raw materials themselves.

62. In the eyes of the most highly developed countries this precedent entails the imminent danger of rapidly spreading to all raw materials and commodities, and it is this precedent that some of them are absolutely bent on neutralizing by pressing for the formation of a coalition of industrialized countries against the oil-producing countries. The twofold aim of this coalition is to check the action of the oil-producing and exporting countries and to exert the dissuasive force of the industrialized nations on other developing countries that are producers of raw materials.

63. The idea underlying the Washington Energy Conference is more in the nature of a preliminary to a confrontation than the reflection of a desire for international co-operation.

64. The countries presently in the process of development, regardless of whether or not they are oil producers, have problems that are infinitely more numerous, infinitely more serious and infinitely more crucial than any that oil can pose for the industrialized countries. Generally speaking, they are all the problems inherent in the profound imbalance of international economic relations, problems that arose long before petroleum and are still with us today.

65. If it is a dialogue that is wanted, we are in favour of dialogue, with the understanding that it be established on the basis of equal consideration for the priorities of all concerned: the developed countries have their priorities, and the developing countries have theirs, which are more pressing and more crucial.

66. For all these reasons, Algeria deems that no forum is better suited than the United Nations for the holding of such a dialogue.

67. The vast majority of nations can but rejoice upon seeing that today there is much concern over the fate of the developing countries.

68. This very day we have the opportunity of making this issue, at last, the priority of all world priorities.

69. Algeria wishes to express the hope that the results of the proceedings of this special session of the General

Assembly will live up to the immense tasks that the world has to accomplish, and that the work done here will thus mark a decisive turning-point in the course of international relations.

70. Unquestionably, the situation prevailing in certain countries, already alarming in every respect, can only grow worse owing to the effects of more or less concomitant rises in the prices of the products that they import.

71. The price of wheat doubled from July 1972 to July 1973, and nearly doubled again during the second half of 1973. The price of sugar has quadrupled in less than three years. The prices of the fertilizers most commonly used in the developing countries almost doubled between June 1972 and September 1973, and these excessive increases were brought about solely by the industrialized countries, which control over nine tenths of world fertilizer production. Is there any need to stress the fact that for the majority of the developing countries that import grains, primarily wheat and rice, the additional cost of these products will be reflected this year in an additional drain of more than \$7,000 million over 1971?

72. True, oil, which for decades had been sold at a very low price, recently underwent a readjustment and is now valued at a new level. This readjustment elicited violent reactions on the part of the industrialized countries, which mobilized all their machinery of propaganda and deception in an attempt to distort the basic facts of the problem.

73. The fact is, however, that the fundamental difference that explains the greatly dissimilar reactions caused by rises in fertilizer and wheat prices, on the one hand, and the price of oil, on the other, resides in the fact that the proceeds of the increase went to developed countries in the first instance and to developing countries in the second.

74. Is there any need to mention that within the import structures of many of the developing countries, food products and fertilizers represent an expense item that is nearly twice as great as that of oil?

75. Is there any need, furthermore, to mention that for the 25 countries classified by the United Nations as among the least developed the impact of the rising cost of food products is 70 per cent greater on their balance of payments than the effect of the increased price of oil?

76. Lastly, to speak only of the drought that is killing human beings by the thousands in the African Sahelian regions, one might recall that in order to meet their wheat needs these regions would have managed with one twentieth the amount of wheat that the countries members of the Organization for Economic Co-operation and Development use each year to feed their cattle.

77. The poorer countries also have to pay the price of machinery, manufactured goods and other products and services with which they are provided by the industrialized countries. Over the last five years the price of steel has tripled, the price of cement has been multiplied by 4, that of wood by 2.5, and that of tractors by 2, to mention only the few products that play a strategic part in development.

² Washington Energy Conference, held from 11 to 13 February 1974.

78. There are also the transfers of capital effected by foreign companies out of those developing countries in which they own means of production or engage in export trade.

79. Under the sole heading of profits declared by corporations, the capital that flowed out of the developing countries during the second half of the First United Nations Development Decade (1960-1970) amounted to \$23,000 million, which is one and one-half times total foreign aid, that is, the grants that the countries to which these companies belong made available to the developing countries.

80. Lastly, there is indebtedness, which for the developing countries amounts to approximately \$80,000 million owed to the industrialized countries. The service on this debt, which for the current year will be in the vicinity of \$9,000 million, is one of the factors that compel the developing countries to borrow continually and thus chronically aggravate their balance-of-payments positions still further.

81. These few facts show which lines of action should be followed in order concretely and definitively to open the way to the settlement of the fundamental problem that concerns us, the problem of development.

82. The action to be undertaken in order to achieve such an objective must be set within the framework of a strategy applying globally to certain fundamental problems, since the solutions to these problems determine the inception and acceleration of a growth process which will place nations on the true road to development.

83. If we want to give such a strategy a real chance of success, we consider it necessary to base it on the following guidelines.

84. First, the developing countries must take over their natural resources, which implies, essentially, nationalizing the exploitation of these resources and controlling the machinery governing the determination of their prices.

85. Secondly, a coherent and integrated process of development must be launched, which includes, in particular, the development of all agricultural potential and the achievement of in-depth industrialization based essentially, wherever possible, on the local processing of the natural resources, mineral or agricultural, of each country concerned.

86. Thirdly, the aid of the international community, based fundamentally on the financial, technological and commercial contributions of the rich and developed countries to those whose development is to be promoted, must be mobilized in a massive expression of solidarity among peoples.

87. Fourthly, it will be necessary to eliminate, or at least to lighten, the burdens and attenuate the circumstances which presently weigh on the developing countries and very often ultimately nullify the results of their development efforts and their sacrifices.

88. Fifthly, a special programme must be worked out and put into effect to procure more concentrated aid for those peoples that are recognized by the United Nations community as being the most deprived.

89. Nationalization by the developing countries of the means for developing their natural resources must include taking over responsibility for the exploitation of these resources together with control over their sale abroad.

90. Of course, each of our countries makes its own economic and social choices; thus, notwithstanding our differing political orientations, Algeria's viewpoint is that nationalization should be viewed not as a matter of ideological choice but first and foremost as a means of liberation, aimed primarily at freeing our natural resources from foreign domination and placing them under national control, thus giving their exploitation a national character.

91. Nationalization of raw materials has become, in the end, a fundamental prerequisite to economic development. By enabling us to keep within our own countries all the financial flows generated by the development of our natural resources, by giving us the opportunity to have these resources bear fruit at home, thus promoting our development, and by reintegrating our mines and our plantations into our own economies, nationalization immediately provides us with new resources which can be mobilized for development. It thus constitutes one of the means which make it possible or easier for us to embark upon the process of economic take-off.

92. Moreover, nationalization in itself constitutes an act of development. When nationalization brings us face to face with the realities and the responsibilities of complex industrial operations, it creates the conditions for the acquisition of practical management experience. When it tears down the barrier that a foreign company erects between us, as producers, and our clients and suppliers, it brings us immediately into the play of international relations. Thus the desire for development gives way to demands for development, and then to action to bring about development.

93. In accordance with the principle of the permanent sovereignty of peoples over their natural resources, the United Nations has formally and solemnly recognized and proclaimed the right of nationalization. The Western countries should recognize and accept the consequences which flow from the implementation of this right as a fact inherent in the changes brought about by new developments in modern international relations. In this way, nationalization, which is increasingly recognized as a measure of self-promotion on the domestic level, would become a source of progress on the level of relations between nations, provided that it opened the way to a form of mutually advantageous co-operation between the developing countries and the industrialized countries, which would thus accept the transition from relations of exploitation to relations of equality.

94. Nevertheless, experience shows that recognizing and proclaiming the right to nationalize are not enough. Indeed, the nationalization measures adopted by the countries of

the third world have often run up against the aggressive behaviour of private interests and the hostile attitudes of certain Governments which, when these measures were actually applied, opposed them with all the means deriving from their economic and commercial power.

95. Thus, it is the duty of the United Nations to make the necessary decisions and take the necessary steps so that this right does not remain merely theoretical and so that it can be effectively exercised by the countries of the third world. To this end the United Nations should be entrusted with the task of guaranteeing, to such developing countries as may be led to nationalize, all the operational aid with regard to operating and marketing that these countries might need. This Assembly should condemn all those, be they Governments or enterprises, who use force or economic power in order to perpetuate this new form of economic aggression which consists of trying to destroy, curtail or discourage the effective exercise of the sovereign right to nationalize.

96. Further, the experience that many of us have by now acquired alerts us to the danger that the effects of nationalization may well be reduced or even completely obliterated if we are cheated of our revenue, the recovery of which is the principal objective of nationalization through price manipulation. Thus we see that the power to fix prices and the control of the related mechanisms are corollaries to the goal of recovering natural resources and are therefore indispensable extensions of nationalization.

97. However, while nationalization can be accomplished by action on the national level, control over prices cannot be achieved without a strategy based on the solidarity of the producing countries, united by their common interest.

98. Thus, in order to recover the revenue which is our due, we must create, product by product, common fronts among exporting countries which will enable us collectively to defend our rights and to fix the prices of our products at appropriate levels, in accordance with our interests and the requirements of the harmonious development of the world economy. This Assembly, for its part, must take on the problem and work towards a substantial improvement in the pricing of raw materials from the developing countries. This would enable these countries to recover their due and to improve their revenues. Need we mention that the mere fact of restoring the buying power of the price of approximately a dozen or so raw materials exported by developing countries to the level prevailing at the beginning of the last decade would provide these countries with resources which would amount, for example, to three or four times the aid—in the proper sense of the term—which was supplied in 1972 by the developed countries to all the developing countries?

99. Development is, nevertheless, not merely a matter of seeking ways to maximize export revenues from the sale of raw materials. In fact, this maximization should be no more than a means of sustaining and speeding up development, which actually consists in the mobilization of all agricultural potential and in industrialization, especially in the local processing of raw materials to the fullest possible extent.

100. For almost all of our countries, agriculture is still the activity which occupies, and which doubtless will continue for a long time to occupy, the bulk of our populations. Furthermore, in our planning for the future, agriculture must remain the sector from which we will expect the major part of our food-stuffs. Consequently, whatever choices we make in economic policy and whatever options other development factors may present, the full realization of our agricultural potential must in any event remain a very important element of our development policy and be aimed, as much as possible, at self-sufficiency as regards our food needs.

101. With regard to industrialization, the philosophy which has prevailed until now among those concerned with international development has been based on the postulate that, since the productivity of the factors of production is low in developing countries, those countries should postpone until later—if not for ever—their entry into the industrial age. According to this philosophy, purportedly based on concern for good management or on the search for the collective optimum, our countries should wait until the profitability of capital becomes comparable to that prevailing in the developed countries and until large numbers of our workers have acquired advanced training and technical skills.

102. Finally, added to all these factors is the limited size of our markets—considered too narrow to warrant the creation of basic industries, which depend on high production capacities. Thus we would have to wait until our markets had developed and our countries would be trapped in the vicious circle of immobility and a wait-and-see policy and would find themselves cornered into submitting to unfair international division of labour, which would confine them to a marginal position in the process of product transformation, that is, confined to that portion of the process which generates no added value or which scarcely pays for the factors of production.

103. In lieu of industrialization, our peoples should then content themselves with a series of superficial transformations, such as the assembly, clothing or packaging industries, which are no more than a new form of exploitation of their labour and which further deprive their economies of real possibilities for creating and promoting jobs—possibilities which exist only in genuine industrialization.

104. Consequently, our nations would be condemned to seeing their human resources continually bled and exploited, not only in their own countries, but even in the developed countries themselves, where their emigrant workers today make up the bulk of the subproletariat and where their technical and scientific personnel are attracted and enticed by the opportunities for promotion and progress of which they are deprived by the chronic immobility in their own countries.

105. All of these considerations have led us in Algeria to conclude that the only way to embark upon development is to reject this philosophy.

106. In our country, confident in our people and in our persevering efforts, we build factories, not on the basis of existing markets as they appear in the calculations of the

self-styled experts on development, but on the basis of the immense potential demand which our development will generate or bring to light.

107. In our determination to achieve industrialization, we have financed our industrial structures through public savings accumulated through a policy of austerity both at the individual and State levels.

108. Competence, professional training, skill and experience in industrial operations or in the area of production costs are increasingly to be found in the constant efforts that our workers and managers must make in connexion with the investment and management decisions which our development requires of them each day.

109. The obstacles to development are not inevitably determined by geography or sociology but are the consequence of under-development. Experience has shown that these obstacles gradually wither away under the impact of investment. It is from the very logic of the vicious circle of chronic immobility that the dialectic of under-development springs. Instead of waiting for the obstacles to disappear or diminish before embarking upon development, it is essential to start with development action, which amounts to removing obstacles through development itself.

110. The successes which countries recently considered as primarily agricultural have achieved through a policy of heavy industrialization, industrial integration, austerity and self-reliance have clearly demonstrated that the vicious circles of under-development exist only for those who let themselves be caught in them.

111. Setting up a country for industry—which implies the creation of a genuine basic industry employing all production, management and marketing techniques—gradually removes all the obstacles which hinder economic development. If it is undertaken on a sufficiently broad basis and with the necessary resolve, it opens the way for our peoples to create added value, to obtain, qualitatively and quantitatively, a more equitable share of international trade and at last to enter the technological and industrial world whose doors have been closed to them. It will finally lead them into the industrial revolution.

112. This industrial revolution is a necessary and urgent goal towards which every country of the third world must strive. This task cannot be delegated. In other words, if each country is to be the true master of its own destiny, it must take on the responsibility of its own development itself: this implies, first and foremost, mobilizing all its human and material resources.

113. In this regard, many countries, among those which do not possess any particular source of revenue today, contain within their borders all the necessary conditions for life and for ensuring their future, either by exploiting their raw materials or by making proper use of their human and agricultural resources, which are by nature inexhaustible.

114. The optimal utilization of these resources implies, as a first corollary, that the non-priority or unprofitable expenses can be ruled out, both in private and public consumption. This should in particular be the case with

respect to the ruinous expenses involved in the acquisition of armaments, when such armaments are not required for the legitimate defence of national sovereignty and security, as they are in the case of countries that are exposed to aggression or threats of military aggression.

115. The optimal utilization of resources also entails a more equitable distribution of the benefits of development, which is to say, the elimination of social inequality or disparity of any sort. Otherwise, the result would be a form of growth in which development would be void of content and progress would be practically non-existent.

116. It is clear that development is a path which one can seriously undertake to embark upon only through the merits of one's own actions, that is to say, by determination, effort and sacrifice, and through the art of making systematic and judicious use of all one's advantages and possibilities. It is also clear, however, that all of the efforts of the countries of the third world, however considerable and worth-while, would not suffice in the face of the immense requirements of development without the support and assistance which the international community and, in particular, the developed countries, must provide them.

117. In this connexion it should be pointed out that the initiatives taken hitherto by the United Nations, through its specialized agencies, are not on a par with what must be done in order to aid the developing countries in promoting, at home, industrialization that goes beyond superficial transformation. The present session of the Assembly must, therefore, study what ways and means will enable developing countries to obtain the assistance that private interests systematically deny them because they do not want to see new centres of industry arise outside of the developed areas.

118. The developed countries should also feel concerned with the imperative necessity which the access of every third-world country to development, or in other words, to the modern world, represents for at least two fundamental reasons. The first reason for this necessity is equity and world peace; the second is that the development of the countries of the third world will trigger a continuing increase in demand, which will result in considerable expansion of the markets available to the developed countries.

119. Therefore, the industrialized countries will have to accept the fact that the developing countries should have their legitimate rights restored to them and receive all that is due them.

120. This entails paying the developing countries fair prices for the raw materials and also the protection of the purchasing power of those prices against inflation and all the uncertainties and the insecurity inherent in the functioning of the international monetary system.

121. Inflation is a phenomenon which has arisen exclusively within the economies of developed countries, and it is clearly inexcusable to impute the worsening of inflation to the rise of oil prices.

122. The impact of the price of oil in over-all cost make-up has always been ridiculously small; it remains so today. Thus, if we wish to throttle inflation it is necessary to attack the most significant items of expenditure.

123. In particular, it is necessary to eliminate the phenomena of over-consumption and gadgetization and, more generally, the waste which runs rampant throughout the developed economies.

124. It is also necessary to end the ruinous expenditures which have nothing to do either with the needs of humanity or even with the well-being of people in the developed countries. The same holds true with respect to the expenditures engendered by the arms race and by military aggression and those devoted to the various space programmes. The same also applies to the considerable sums swallowed up by gigantic projects which have been launched over the past few years, and which the decisions of OPEC have only accelerated, for the sole purpose, in the eyes of those for whom economic dependence must always remain a one-way street, of replacing the oil of the third-world countries with other sources of oil or with other forms of energy.

125. The way in which the international monetary system functions at present compromises the expansion of world commerce and, in particular, thwarts all attempts of the countries of the third world to conquer under-development.

126. This system should be protected from the disturbances caused not only by the unilateral decisions of countries whose currency serves as a reserve currency but also by the behaviour of developed countries which cannot or will not master their own inflation and internal monetary disorders. It is up to the countries where these phenomena originate to accept their responsibilities and to put an end to this situation.

127. The reform of the international monetary system must be based upon the necessity of giving third-world countries the right to participate, on a democratic basis, in its conception and operation.

128. In this regard, one could not accept as valid solutions the ideas which have been propagated around the world for some time and which seek to lend credence to the idea that the control of inflation and the stability of the international monetary system require non-revalorization of the price of raw materials.

129. In addition, the prospects for expansion in the world are such that a very large part of that expansion could be taken up by developing countries without in any way harming the interests of the developed countries.

130. Taking steel as one example, and referring to estimates which have been made by representative authorities of the largest steel producers in the world, the demands of world consumption from the present until 1985 will necessitate the installation of new steel production capacity in excess of 500 million metric tons per year. Would it not therefore be legitimate to instal on a priority basis a reasonable part of the new steel production capacity which is contemplated in the countries which produce iron ore?

131. As for financial aid for development, the criteria for its definition and utilization call for a thoroughgoing re-examination.

132. Foreign aid makes sense and has constructive significance only if it is based upon a recognition of the priorities of the developing countries as well as on an evaluation of the resource requirements of these countries after what is due to them has been fully restored to them.

133. If a repetition of the failures of the First Development Decade is to be avoided, this aid must be significantly greater than it has been in the past and must be protected from unforeseeable events, which, in the course of the preceding period, regularly reduced it and finally cut its real value by 40 per cent.

134. For developing countries, on the other hand, foreign aid should not be considered the fundamental instrument of their development nor, from this point of view, should it purely and simply replace the efforts and sacrifices which every country must make in order to overcome under-development on the basis of its own human and natural resources.

135. In the same vein, foreign aid which results from a redistribution of excess wealth in order to compensate for inherent natural or historical inequalities and which is designed to correct disparities which exist on the international level would lose all its meaning if it were to be granted while social inequalities were maintained and if it did not, as a first priority, serve to improve the lot of the most disinherited masses.

136. Additionally, in order not to weigh too heavily on the balance of payments of the poorer countries, foreign aid should include a larger share of non-reimbursable assistance. In this regard it would be highly desirable to examine the problem of the present indebtedness of the developing countries. In this examination, we should consider the cancellation of the debt in a great number of cases and, in other cases, refinancing on better terms as regards maturity dates, deferrals and rates of interest.

137. From a different viewpoint, foreign aid must no longer be dispensed through channels which make it not unlike payments for political and military allegiances and thereby render it suspect and inoperative. In particular, development aid should not be accompanied by any condition establishing a link between its existence and the maintenance of extremely low prices for raw materials. This link, which is acknowledged by many industrialized countries today, is nothing but the recognition by them that foreign aid was merely a kind of restitution to the poorer countries of a minimal portion of the value of their resources.

138. Finally, if foreign aid is to be a true unconditional transfer from the richer countries to the poorer, the size of the contribution of every member of the international community must be determined as a function of its real wealth, that is to say, as a function of its level of development. It is the developed countries that possess the bulk of the world's wealth and it is therefore from them that the bulk of foreign aid should come.

139. Algeria, as a member of the third-world community, proclaims its determination to make its own contribution to mutual international aid, it being understood that, in our view, foreign aid is defined as a contribution from those who have the most to those who have the least or who have nothing at all. The intensity of the development effort that we have planned means that we are still confronted by a balance-of-payments problem and that we are continually obliged to borrow, notwithstanding the degree of austerity that we have imposed upon ourselves. Nevertheless, Algeria is prepared to make the necessary sacrifices, as it has done in the past, in order to manifest its firm intention to fulfil its duty of international solidarity.

140. It is within the context of this solidarity that we should evaluate the initiatives which have recently been taken by the Fourth Conference of Heads of State or Government of Non-Aligned Countries, by the Arab Heads of State who met at the Arab Summit Conference in Algiers in November 1973, by the Islamic States in Lahore³ and by the members of OPEC.

141. Finally, many third-world countries are experiencing difficulties of a structural nature and find themselves today in a particularly critical situation because they do not have the necessary means to pay for products of prime necessity or for the goods they need in order to carry on their economic activities or the work of development.

142. Since what is at stake is to give a number of nations which find themselves in a state of hopeless destitution a chance to emerge from this state and the hopes of one day participating in progress, it is imperative and urgent for the international community to resolve to set up a special programme for the benefit of these countries—a programme with a specific duration and precise objectives. This programme should make it possible to satisfy the minimum vital needs of the most deprived countries, that is, their needs in terms of goods of prime necessities, such as food, energy, pharmaceutical products, fertilizers, capital goods and services on particularly favourable terms and, in certain cases, even on a gratuitous basis. At the same time, this special programme must make it possible to provide these countries with exceptional financial aid for short-term development. It would be desirable for this aid to be in the form of non-reimbursable financial contributions, at least in large measure. The financial burden of supplying the products which would be included in this programme could be undertaken by the countries that produce them, in proportion to their production capacity in the sector in question. The financing necessary to pay for the capital equipment and the services contained in this programme could be assured by contributions of the various countries of the international community in proportion to their respective incomes. Thus the industrialized countries, as well as such developing countries as might have available surplus resources, would play a particularly important role. In order to act quickly and effectively, the International Bank for Reconstruction and Development, as well as the regional banks of Africa, Asia and Latin America, could initially undertake the task of managing, under appropriate control, the funds to be mobilized immediately within the

framework of this special programme pending the creation of the institutions to be entrusted with the management of these funds on a permanent basis. It is quite obvious that other forms of financing could be proposed; the essential thing is that the objectives and the necessary means be clearly defined.

143. My country is submitting a proposal relative to this special programme.⁴ I express the hope that the General Assembly will adopt it as a concrete and immediate measure which will constitute one of the results for which the present special session of the General Assembly of the United Nations can take credit.

144. The strategy we have just proposed implies that the international community will agree to a fundamental revision of the practice of assigning growth rates that are manifestly inadequate for the aim of reducing international disparities. Indeed, to claim to attenuate the differences between annual individual incomes in the most developed countries, which amount to some \$3,000, and the corresponding incomes in the poorest countries, which are on the order of \$100, by recommending measures geared towards giving the latter countries a growth rate of 5 per cent per year is an undertaking manifestly destined to failure from the beginning.

145. To permit these inequalities and this exploitation to continue in a world which modern means of communication have shrunk considerably is no more acceptable today than gross social inequalities in a single country were in the past.

146. The countries of the third world could not, in fact, identify with the successes of this world, which excludes them and denies them, nor with growth and technology which develop independently of them or, more often than not, against them.

147. In stressing its determination to put an end to that which our century can no longer tolerate, namely, individual incomes of less than a third of a dollar a day in 1974 or, as the expected results of the Second Development Decade would seem to indicate, incomes barely equal to half a dollar in 1980, the United Nations community will inaugurate a new era in international economic relations.

148. Between the needs of the poorer countries, namely, in the fields of nutrition, schools, hospitals, and the means for the struggle against under-development on the one hand, and, on the other, the needs of the rich countries—that is, not only the unlimited growth of their wealth, but also the continuation of ruinous expenditures for political and prestige purposes—the question arises as to which of these needs are to be sacrificed for the others. The raw materials problem, therefore, is indeed posed in terms of opposition between the priorities of the developed countries and those of the developing countries and, in connexion with that opposition in terms of the distribution of world resources for the satisfaction of those priorities.

149. In reality, in the race now commencing between industrialized countries, which intend to accumulate maxi-

³ Second Islamic Conference of Kings and Heads of State and Government, held from 19 to 22 February 1974.

⁴ Subsequently circulated as document A/AC.166/L.13.

imum profits in order to be able to dispense as soon as possible with the raw materials of the developing countries and, on the other hand, the developing countries themselves, which intend to profit from the ultimatum which has been clearly served upon them in order to lay the foundations of their development and their economic liberation, the problem of raw materials can no longer be formulated in purely commercial terms. It exhibits all the aspects of a veritable strategic problem which will determine the survival of the producing countries and must be subjected to the most determined vigilance.

150. The countries of the third world recognize today the conditions which could permit them to enter upon the path of development and progress; moreover, they cannot be ignorant of the dark future which would be their destiny if they let slip the opportunities that they now have for joining battle and making the efforts and the sacrifices necessary for their well-being.

151. For the developed countries, the question is whether they have understood that their future cannot be dissociated from that of the peoples of the third world. If indeed they have understood this, it is up to them to assume the responsibility that this awareness implies for them. In particular, since they at present control the levers of economic power, they must accept as a requirement for the maintenance of peace and as a tribute to progress that the developing countries regain and assume the rightful share they deserve in the leadership and management of world economic activities. To put it otherwise, they must accept the conditions of the economic emancipation of the peoples of the third world and agree to the transformations which this emancipation entails for the economic order at present established in the world.

152. If the debates and decisions of this Assembly could give us the hope of attaining such a result, then the development of the peoples of the third world and the victories to be won against poverty, disease, illiteracy and insecurity will be not the revenge of the poorer countries over the wealthier countries, but a victory for all mankind.

153. The PRESIDENT (*interpretation from Spanish*): On behalf of the General Assembly, I am most honoured to express to His Excellency the President of the Revolutionary Council and of the Council of Ministers of the People's Democratic Republic of Algeria our deep appreciation for his important statement.

AGENDA ITEM 7

Study of the problems of raw materials and development

154. Mr. VIGNES (Argentina) (*interpretation from Spanish*): The Argentine Government warmly and from the outset supported the initiative taken by Mr. Houari Boumediène, the President of the People's Democratic Republic of Algeria, in proposing that this special session of the General Assembly be convened. We participate in this session because we are convinced of the importance and significance of the items on our agenda and also of the increasing need to apply national will in order to create wide systems

of co-operation and to lay down rules of coexistence that will make relations among peoples more just and reasonable.

155. Mr. President, we are gratified to see you again presiding over the General Assembly and occupying a post to which you have brought great prestige. We are sure that under your presidency our meetings will come to a successful conclusion.

156. This day and age is governed by factors of change and interdependence. The basic problem lies not in debating whether or not there should be changes, because change is inevitable. Nor does interdependence itself depend upon whether or not there is a static position, for we are all sure that it will continue to intensify. What we have to lay down is the way in which the change is to take place and to foresee the effects flowing from greater interdependence in the wide field of raw materials and development. In other words, we have to define and select the rules of the game that are going to govern international coexistence in this field. That is the central item on the agenda of our session.

157. The Argentine Government considers that a good portion of our effort must be directed to ensuring that public opinion and the governments of the developed countries have a clear idea of the origins of the present situation and their responsibilities therein, that they accept the need for a new relationship with the developing countries and that they co-operate in its establishment. And that new relationship can only be based upon a thorough modification of the present rules of play.

158. If a tree is to be judged by its fruits, so the rules of play of international economic coexistence must be judged by the prevailing situation. And what, in fact, is that situation? We have no alternative but to refer to the Economic Declaration adopted by the Fourth Conference of Heads of State or Government of Non-Aligned Countries, held at Algiers in September 1973, which stated:

"The developing world, which accounts for 70 per cent of world population, subsists on only 30 per cent of world income.

"Of the 2,600 million inhabitants of the developing world, 800 million are illiterate, almost 1,000 million suffer from malnutrition or hunger, and 900 million have a daily income of less than 30 United States cents.

"In the light of all these considerations, estimates up to 1980 cannot be but extremely pessimistic.

"Assuming that the objectives set for the Second Development Decade can be achieved, and this is in no way certain, gross national income in the developing countries would increase by only \$85 as against \$1,200 in the industrialized States.

"By the end of the present decade, average annual *per capita* income will be \$3,600 in the developed countries, but only \$265 in the developing countries."⁵

⁵ See document A/9330 and Corr.1, pp. 60-61.

159. It is neither just nor acceptable for a system to persist in which hundreds of millions of human beings are forced because of their place of birth to receive an average income of \$265 when others enjoy \$3,600.

160. President Perón has stated that historical determinism has controlled mankind since the beginning of time. And the world's political reality increasingly evinces features that for a long time will offer the yardstick to interpret and understand it.

161. The concept of interdependence, seen as the growing national participation in a global reality, is increasingly intimately linked to the different aspects of the life of peoples and countries. If that relationship rests on just bases then it dictates mutual co-operation, but if it is carried out with purposes of interference in the decision-making processes, it must inevitably unleash phenomena that go from paternalism to hegemony and domination, which are the hallmarks of well-known forms of imperialism. That is a historic short-sightedness that we cannot accept.

162. Another feature of our day is the growing tendency, at all levels, of having those most directly affected speak out in the adoption of political decisions affecting them. And therefore, those processes become increasingly complex. The trend to a wider participation is today a normal characteristic in international relations. Suffice it to read the Declaration of the Algiers Conference to derive a clear-cut idea of the many priority concerns of our peoples. That Declaration stresses the growing awareness of Governments of the desire of the man in the street to feel that he is sharing in the decisions governing his destiny and that he can participate in the creation of a universal system whose defence and improvement is to his direct interest. While the system based on the existing rules of the game stands, those aspirations cannot be satisfied.

163. The progressive interdependence and political articulation among nations will create increasing numbers of common points of contact that will bring national political views closer together. But this must inevitably create major areas of friction and conflict.

164. Another characteristic of great importance in the present reality is the recognition that we are facing problems and opportunities whose solution or utilization cannot be based upon purely national approaches. Countries are engaged in dealing with questions that can only be identified, discussed and solved within great groupings of nations.

165. The lack of effective common ground on the global scale has brought with it the historic moment of regions, both of developed and developing countries.

166. But paradoxically the reaffirmation and the political projection of the national personality do in fact allow countries to act with more solidarity in groups. That development puts countries in a better position to achieve their national interests. In our own region, the concept of Latin American unity, which is increasingly expressed in joint positions and becomes more flexible in the carrying out of acts of co-operation among its members when

confronted with third parties, has now become confused with the very idea of national interests. Today it is commonplace for the Governments of Latin America to "feel" the problems of others when they affect the region with the same intensity as those that affect their own countries.

167. The closer political articulation of the regions is of enormous concern to those who are at present benefiting from the present system of interdependence. And if they are not ready effectively to contribute to international social justice, then they have a reason for concern, for regionalization channels a potential which in those circumstances must inevitably lead to situations of conflict, and will find the countries that today suffer under the use of unfavourable rules of the game more and more united and at one.

168. The Argentine Government is deeply convinced that the developed nations will not be able to find a true solution by trying to obstruct the regional set-up. The political action of the developed countries lays down an example. Those countries control all that can be controlled: their markets for goods and services, financial flows, the international supply of their products and, in a word, all that may serve their interests. It therefore should come as no surprise to them when the developing countries exercise similar controls and express the decision to yield to no pressure.

169. In a world of generally accepted ideological plurality, there is no meaning to discriminatory treatment based on the economic and social systems adopted by countries. Therefore, we consider obsolete those arrangements governing international trade that, among their basic principles, forbear from including precise mention of non-discriminatory treatment for such reasons.

170. In our own hemisphere we note an anomalous situation in circumstances that have changed basically. I refer to the discriminatory treatment still meted out to the sister republic of Cuba because of regional sanctions adopted within the framework of the regional organization.

171. The Argentine Government is convinced that such sanctions are an obstacle for the majority of the countries of Latin America, which today uphold the position that in the present circumstances such sanctions are unseemly and untoward. Therefore, the road to resuming relations of all types with the Cuban people should be cleared so that the countries of the regional system which so desire can resume those relations unfettered by unwarranted ties that contributed politically to create the state of stagnation within the regional organization within whose framework such sanctions were originally decided. This is a moment when States should be guided more by the conditions of the present and the prospects of the future than by the experiences of the past.

172. The profound and speedy social, economic, technological and political transformations of our day have brought a new dimension to the analysis of the events and facts that are to be discussed at this special session. This session is to define new modalities of international action which will

allow us to break the framework of archaic structures that governed and still do govern world trade.

173. The recent energy crisis, particularly resting on the supply and price of petroleum products, has highlighted the fact that the dependency in which our countries have lived regarding the policies and decisions of the great industrial centres in matters of the production and sale of raw materials can be turned back when the developing countries act in co-ordination and with determination in the defence of their own legitimate interests.

174. Effective interdependence, to which so much attention is drawn in international affairs, has thus far only been respected in relations among the great world economic centres, and thus a new factor has now arisen: namely, the solidarity of the countries of the third world in defending their sources of external resources, negotiating in the appropriate arenas whenever that is possible and helpful to their interests, or acting unilaterally, as the oil-producing countries have done, when their arguments must overcome the barriers of misunderstanding.

175. When the economies of many developing countries have been unable to overcome the monetary decisions in which they did not participate, new protectionist policies and regulations decided upon by the developed countries limit to a greater extent the access of certain raw materials to world markets. But I do not wish at these moments to dwell on concrete cases, such as the policies adopted by the European Common Market in questions of the import of beef, since we shall have time to do so in other meetings at this same session. I would merely like to stress that exclusivistic concepts, as represented by such policies, reflect a breaking of international co-operation in the field of raw materials.

176. But in our participation we shall not limit ourselves merely to speaking out on our problems. We come to this session with open minds to find common solutions to global or sectoral problems that will allow us to open the road to solutions to present and future problems. We trust that this will be the same attitude adopted by our counterparts. Results will tell us whether we were right or wrong to harbour such hopes.

177. My Government feels that the basic programme for international action is the one flowing from the Economic Declaration adopted at Algiers by the non-aligned countries. To progress in its definition and implementation at this special session, we must prepare an immediate programme of action in order to utilize to the full and with a constructive aim those opportunities available at the moment.

178. We do not believe that it would be realistic to suppose that the objectives of the Algiers programme of non-aligned nations, or the Declaration of Lima adopted by the Group of 77,⁶ which served as a platform for the developing countries at the third session of the United Nations Conference on Trade and Development

[UNCTAD] can be fully achieved at the present session. The political will of the developed nations and the sustained support of the public opinion of those countries will be deciding factors in whatever achievements we may arrive at.

179. Furthermore, the developed nations must understand and agree that at this special session constructive and substantive progress must be made, because otherwise circumstances can significantly worsen, particularly when it is borne in mind that the confrontations that have taken place were not due to the developing nations.

180. The oil crisis served to focus world attention on the phenomena and characteristics that I have mentioned: interdependence; the growing determination on the part of nations to exercise their political will to redress situations that cannot be corrected with the traditional rules of play; concerted action through groups of countries; the proliferation of conflict situations; ideological non-discrimination; and, particularly, the vulnerability that arises from inter-relations among States.

181. My Government considers that this is an adequate point of departure not only for future sustained efforts, but for trying today and now to define a guiding line that will give continuity to the work and the efforts we make at this session. We shall participate so that our debates will lead to that guiding motive force and so that we emerge from these sessions imbued with a new spirit and determination.

182. The measures proposed, in answer to that central idea, must converge, must be adopted in different forums, depending on whether they are trade problems, financial or scientific-technological problems, or problems arising from co-operation and assistance, but they must all fit within a global concept of the development of the backward nations and tend towards reducing the gap that separates them from the industrialized nations.

183. Over-all development must be one of the crucial concepts of the new relation, as must be also those of the economic and ecological security of all. If this concept is accepted as the first priority, a basic philosophy will be defined leading to a substantive modification of the rules of play, without which relations among nations, unequal in many cases, will have no stable or lasting meaning.

184. The concept of co-operation for development, linked to that of stabilization or organization of the markets, will give a new meaning and a new philosophy of action to agreements on raw materials. Thus, too, it will widen the scope of multilateral trade negotiations and the framework for a reform in the international monetary system. The utilization of this new dynamic concept of development in its logical dimensions will have a harmonious effect on many aspects of a more just coexistence. In a word, this will allow all to derive benefits and it will also call on all to make efforts, with which the developing nations will be drawn to support, defend and improve that new international economic order.

185. Essentially, however, international co-operation is not fulfilled with the signing of agreements or the preparation of programmes among the developed and the devel-

⁶ See *Proceedings of the United Nations Conference on Trade and Development, Third Session, vol. I, Report and Annexes* (United Nations publication, Sales No. E.73.II.D.4), annex VIII.F.

oping nations. It requires also the developed nations to consider the interests of the developing nations when defining their own domestic and foreign policies, particularly in the fields of trade and finance, so that they will not affect, but rather encourage and support, such interests and their relations with the developing nations. One of the aspects to which we attach the greatest importance is that of the attitude of the developed nations towards the great transnational enterprises whose activities very often undermine the legitimate interest of countries, interfere in domestic affairs or even create changes that upset normal relations among States.

186. The comprehensive and thorough change in the rules of play on which international coexistence is based constitutes the categorical imperative of the day. We live in a time of rapid change, of growing interdependence and of great political missions to improve the present and win the future. The conflicts that we foresee arise as enormous challenges which, nevertheless, offer great opportunities to mankind. Our main limitation is the lack of boldness, the lack of imagination. The President of the Argentine, Lieutenant-General Juan Domingo Perón, has pointed out that what is needed most urgently is a revolution in the minds of man, particularly the leaders of the more highly industrialized nations. He has said that what is called for is also a modification in the social and productive structures of the entire world, particularly in the countries enjoying high technologies, where a market economy exists, and a

resurgence of a biological coexistence of mankind and between mankind and the rest of nature.

187. The developing countries, and particularly the non-aligned countries, have been and continue to be in the vanguard of these changes. These changes will occur if we are all ready and able to take up the challenge of the present and make a joint and continuing effort. The Argentine Republic, committed to the achievement of an integrated Latin America, pledges its determined efforts so that our region will contribute to the establishment of a new economic order based on solidarity and international social justice.

188. The PRESIDENT (*interpretation from Spanish*): I thank the Minister for Foreign Affairs of the Argentine Republic for his important statement and his kind words addressed to me.

189. I should like to propose that, in keeping with the precedents established at previous sessions, the duration of statements in exercise of the right of reply be limited to 10 minutes and that those statements generally take place at the end of the afternoon meeting of the same day.

It was so decided.

The meeting rose at 1 p.m.