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President: Mr. Abdelaziz BOUTEFLIKA (Algeria).

AGENDA ITEM 7

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

1. Mr. BARROW (Barbados): The Declaration on the Establishment of a New International Economic Order adopted by the General Assembly at its sixth special session [resolution 3201 (S-VI)] has unfortunately lulled many of our Member States into believing that this Organization by itself is capable of solving the problems of international economic co-operation, which all countries are now agreed constitutes the most pressing and urgent requirement of our time.

2. The General Assembly of this Organization provides a useful forum in which international problems can be freely discussed, if not always resolved; but their very discussion focuses the attention of the world community on problems before they become ungovernable and incapable of management.

3. Such was the discussion which culminated in the Declaration of the sixth special session.

4. More than any other topic debated in this Assembly, the Declaration has aroused concern and interest in the developed countries and the developing countries alike.

5. It has triggered a proposed programme of action from the other international organizations, such as the International Bank for Reconstruction and Development [IBRD], the International Monetary Fund [IMF] and other institutions, and it has evoked expressions of commitment from leaders of some developed countries, particularly during the past few days.

6. It is not my intention to recite the details of the downturn in the world economy which has brought us face to face with the realization that the existing mechanisms and theories can do little to assist in our quest for a solution to our problems. The "invisible hand" which the classicists maintained would sort things out in the long run remains invisible and what is worse, immobile, while the market forces have long deserted the field of action in the

face of advancing protectionism and enlightened self-interest.

7. I should like to come straight to the point of my being here at all, and to stress the need for this special session of the United Nations General Assembly.

8. The rationale of a new international economic order stems from "the overriding need . . . to secure for all people acceptable standards of nutrition, clothing, shelter, public health and medical care, and education. This is the minimum tolerable standard of existence." [see A/AC.176/5, p. 11.] I am quoting from a report recently presented to the Commonwealth Finance Ministers on behalf of a group of experts and eminent persons appointed in May by the leaders of the Commonwealth Governments, meeting in Kingston, Jamaica. We represented no less than 25 per cent of all the persons who inhabit this globe, from 34 countries, all of which are Members of this Organization.

9. My Government considers this interim report of the Commonwealth Group of Experts so pertinent to our discussions here this week and so illuminating on the problems to which we now seek solutions that we have requested that it be included in the records of this special session.

10. If we accept this statement of need, it is not necessary to plough through a dismal recital of the circumstances which have created the ever-widening gap in living standards between the rich nations and the poor. We not only know its causes, but we should be ashamed of the philosophies which have permitted us to tolerate the very existence of such inhumanities created by avarice, greed and exploitation.

11. The President of the World Bank, Mr. Robert S. McNamara, has long been concerned with this situation, of which the developed countries have elected to take notice only since its exacerbation by the fuel crisis. Everyone now knows where the shoe pinches—*chacun sait où le bât blesse*—but many of us have been without shoes for such a long time that we have no great feeling of pressure, having become inured and deadened to any feeling of pain.

12. The 1 billion absolute poor of whom Mr. McNamara spoke last year¹ and on whose behalf he repeated his pleas this year² will have no expectation of the minimum

¹ See Robert S. McNamara, *Address to the Board of Governors* (Washington, D.C., International Bank for Reconstruction and Development, 1974).

² *Ibid.*, (Washington, D.C., International Bank for Reconstruction and Development, 1975).

tolerable standard of existence within the next 25 years, the closing years of this century, unless we are prepared to forsake the rhetoric, the elaborate luncheons and dinners which plague international gatherings and get down to a programme of immediate action which will restore this Organization and other international institutions to a position of respect which they have been in danger of losing.

13. The Commonwealth Finance Ministers, without necessarily committing their Governments to every detail of the report, gave it their general endorsement and commended it as a valuable contribution to constructive international dialogue and consensus-building in the critical area of international economic relations. I also invite member countries to endorse the measures being undertaken by the World Bank group to increase the flow of aid to the poorest developing countries.

14. Briefly, the Commonwealth programme of immediate action calls for: one, support for the integrated commodities programme of the United Nations Conference on Trade and Development [UNCTAD] as constituting a comprehensive attack on the commodity problem; two, the acknowledgement and encouragement of producer associations; three, the liberalization by developed countries of their trade and the modification of such restrictions as their rules of origin; four, improvement of the generalized system of preferences and a widening of the coverage and deepening of tariff cuts by countries members of the Organization for Economic Co-operation and Development [OECD]; five, promotion of imports from developing countries by developed countries; six, increased co-operation between the developing countries in joint projects, particularly in key sectors of their economies; seven, increased emphasis on production of food and the supply of fertilizers by the developed countries at reasonable prices; eight, intensification of the World Bank rural development programmes; nine, a food-aid target of 10 million tons; ten, accelerated industrial development, along with a critical examination of the role of transnational corporations; eleven, establishment of centres of research and development and a strengthening of the role of the United Nations Industrial Development Organization [UNIDO] in the field of industrial co-operation; twelve, an official development assistance effort of at least 1 per cent of the gross national product of developed countries by 1980, instead of the current average of less than 0.3 per cent. An average grant element of at least 84 per cent and repayment periods of 40 to 50 years for the poorer countries; thirteen, priority on special drawing rights through some form of "link" mechanism for developing countries; and fourteen, rescheduling of debt burdens for some of the poorer countries.

15. Those recommendations constitute a programme of immediate action which is not beyond the capacity of the developed countries to carry out. As has been said here so often, all that is needed is the political will.

16. I have been hearing recently that some of the more affluent Governments have been referring to the proposals for a new economic order as "idealistic". I contend, to the contrary, that they are starkly realistic.

17. The establishment of a new economic order must rest upon the premises of a rational and just economic exchange and the predisposition of States to achieve peaceful collaboration and meaningful co-operation. There must be a continuing current dialogue between the producers of primary commodities in the south and the producers of manufactured products in the north. There must always be some direct relationship, or linkage, between the price structures of these two régimes. A certain sense of international responsibility must pervade the actions of both these factions as they seek to protect their economic interests. Producers' associations must always contemplate the grave, far-reaching consequences of their decisions for consuming nations, especially those in the developing world.

18. To recapture some modicum of rationality in the very fluid and dynamic international economic order, the era of confrontation must be replaced by one of peaceful and fair co-operation. At no time in the history of the world has there been more need to recognize the pressing importance of the interdependence of nations than in our present time. The choices are clear: collective survival or collective destruction.

19. Mr. President, I hasten to assure you that you can always rely upon the Barbados delegation to play a positive role in this collective exercise of peaceful and sensible co-operation.

20. Mr. BA IBRAHIMA (Mauritania) (*interpretation from French*): The foundations on which the international economic order was based have crumbled through the years under the pressure of new realities. Conceived of more than a quarter of a century ago within a given context and in the interest of a limited group of countries, that economic order was unable to adjust to the need for change. The rigid attitude of the countries which promoted it finally led to a series of crises of which they are the victims today, together with the developing countries. Indeed, the international monetary system drawn up at Bretton Woods has collapsed; inflation is affecting all economies; world food production has declined to its lowest level; imbalance is becoming a fixture in international trade and payments, sparing not even the rich, much less the poor. A realization of the gravity of the situation led the General Assembly at its sixth special session to single out these evils and propose remedies.

21. The Declaration of principles and the Programme of Action adopted by the General Assembly at its sixth special session [*resolutions 3201 (S-VI) and 3202 (S-VI)*] and complemented by the Charter of Economic Rights and Duties of States [*resolution 3281 (XXIX)*], in fact provided the guidelines that should inspire the changes necessary to establish a new international economic order based on equality and the interests of all.

22. The absence thus far of any real political will in the developed countries and their refusal to place themselves within the perspective of history by considering their long-term interests, has unquestionably been, and remains, the major obstacle to an adjustment of the structure of the world economy that would respond to the need for change that is day by day more deeply felt.

23. If that political will had been forthcoming, if the refusal of the developed countries could have been overcome, a better future for all countries might have resulted from this present special session on development and international co-operation; and if the political commitment of the developed countries in particular were on a par with the legitimate desires of the developing countries to introduce greater justice in international economic relations, a frank, useful and concrete debate might be a feature of our current session. If, however, the developed countries persist in their attitude of refusal or subscribe only to short-sighted, half-way solutions, the economic order can but collapse, carrying away with it the assurance of perpetual abundance which all members of the international community have taken as their goal.

24. We for our part hope that the first hypothesis will be the one that is realized, and that in the course of this seventh special session we may engage in a sincere debate in which we consider all the problems organically linked to the economies of the developing countries and to their relationships with the developed countries.

25. First and foremost among those problems, as everybody knows, is that of raw materials. It is all the more important since its solution equally conditions the development of the third-world countries as well as that of the "have" countries.

26. The development of the "have" countries is in fact dependent on the raw materials and basic commodities which they import, in large measure, from the developing countries. The sensitivity of their economies to the marketing of these products bears witness—if any proof were needed—to this dependence.

27. The development of the third-world countries is also largely dependent on the marketing of the raw materials which they export and which constitute the main source of their foreign currency earnings.

28. Hence it is legitimate for the countries of the third world to place in the forefront of their concerns the solution of the problem of marketing their raw materials. Regrettably, however, their efforts to upgrade these products continue to be undermined by the constant deterioration of prices on the international market and by a steady rise in the prices of finished products. These are the two phenomena which in themselves virtually epitomize the evils from which the economies of the third-world countries suffer, and which are an even more decisive element in regulating international trade in basic commodities, since they are the very basis of the third-world countries' relations with the developed countries.

29. The economic dependence of the developing countries on the developed countries, and their inability to act effectively on the international market leaves them no choice: they are compelled to market their products at imposed prices which are incompatible with their general economic situation and, more particularly, with the conditions for their imports.

30. This abnormal situation—and that is the least one can say of it—is often aggravated by unilateral measures taken

by the "have" countries, measures that are dictated by the recession in their own economies and that are intended to decrease the volume of their imports from the developing countries.

31. I shall not dwell here on the dangerous nature of such actions, which are contrary to any spirit of co-operation and which are a deliberate violation of the Declaration on the Establishment of a New International Economic Order.

32. My intention is to highlight the serious threat which this economic dictatorship represents for the development of the countries of the third world, which still obtain most of their foreign exchange—approximately 75 to 80 per cent—from the export of raw materials and commodities.

33. These marketing conditions for our natural resources are all the more essential for us since we have always been compelled—and continue to be compelled—to buy finished products from the "have" countries, which sell them back at constantly rising prices which they themselves reserve the right to set, aware as they are of the weakness of our economies and, above all, of the seriousness of our needs.

34. Can the international community remain indifferent to such injustice, to the barely concealed squandering of our natural wealth? Is it going to endorse such a situation or, on the contrary, attempt in a concerned way to lay the basis for a better future?

35. We for our part sincerely hope that the international community will choose the second way. However, inasmuch as we are confident of such a future, we are nevertheless aware of the need for harmonization of all efforts at the international level if it is desired to arrive at a satisfactory and lasting solution of this problem.

36. Our major concern in seeking such a solution must be to establish a genuinely just and equitable relationship between the prices of raw materials and commodities exported by the developing countries and those of the finished products which they import from the industrialized countries.

37. This objective can be attained only if the "have" countries commit themselves to respect, without any conditions, our full and complete sovereignty over our natural resources. In other words, they must consider us to be equal partners, they must recognize, particularly in regard to this question, that our interests may at times diverge from theirs—even if only in the short term—and they must therefore negotiate with us on the basis of our common interests.

38. Of necessity, all these conditions must be met before any step is taken towards a stabilization at a remunerative level of the prices of raw materials and basic commodities. Otherwise, we shall be continuing this dialogue of the deaf which can only prolong an already obsolete world order.

39. But, even if in the present economic circumstances we give particular attention to the regulation of the markets of raw materials and basic commodities and consider it to be one of the essential components of any eventual new order,

there are many others which affect no less the economic fate of the countries of the third world.

40. Among them, the transfer of real resources, earmarked for the financing of development in these countries, deserves to be considered in its proper place in the course of the present debate, because to a large extent it shapes co-operation between developed and developing countries.

41. As members will remember, the objectives regarding the conditions and the volume of this type of transfer—whether made indirectly by means of the terms on which the exports of primary products are marketed or directly in the form of grants, loans and investments—have been clearly defined both in the International Development Strategy for the Second United Nations Development Decade and, more recently, in the Programme of Action on the Establishment of a New International Economic Order.

42. Nevertheless, we are compelled to note that the target set is far from being reached, particularly with regard to official development assistance.

43. Indeed, assistance of this kind granted to the developing countries by the developed market-economy countries for which the International Development Strategy set the figure of 0.7 per cent of gross national product, has, on the contrary, declined from 0.34 per cent in 1970 to 0.32 per cent in 1975 and, according to the estimates of the World Bank, will continue to decline during the rest of the Decade to 0.28 per cent in 1985.

44. More generally, although the total volume of transfers from the market-economy “have” countries—including private and public funds—rose from \$14,000 billion in 1970 to \$22 billion in 1973, this increase only made it possible to maintain the transfers at approximately 0.7 per cent of gross national product.

45. At any rate, one fact remains noteworthy, that is, that all this arithmetic, all these estimates should not in any case distract us from the substance of the problem, namely, the conditions and the actual motives for these transfers.

46. This question deserves all the more attention since any assistance granted to us is most often tied to conditions that take absolutely no account of our priorities or even of the choices before us. It is quite natural that such assistance very soon produces an effect quite opposite to what was expected.

47. In this field, we consider that the *sine qua non* condition for any genuine co-operation is recognition by the developed countries of our full and complete sovereignty over our natural resources and our absolute right to decide in all freedom the options of our development.

48. This prior requirement was clearly stated by the President of the Islamic Republic of Mauritania, Mr. Moktar Ould Daddah, in his statement at the sixth special session:

“... we should like to be full-fledged partners in the co-operation to be established and not constantly those who ask for assistance. For this reason it is obvious that

the assistance given us cannot be truly used or useful unless, first, it fits precisely within the framework of our choices and priorities and is not tied to any political or military conditions ...”³

49. Consequently, we believe that the countries providing aid must constantly be guided by the desire to satisfy promptly and appropriately the real needs of the recipient countries. Any action undertaken outside this framework will, we are convinced, inevitably be doomed to failure because there are very few countries that will accept to exchange the smallest part of their sovereignty for any assistance, however vital and generous.

50. Be that as it may, if we consider the present state of economic relations between developed and developing countries, we shall see that it is quite a different kind of transfer from that provided for in the relevant documents of our Organization that we have so far been offered. The “have” countries with market economies have, with a rare generosity, allowed us to share the effects of the galloping inflation and the subsequent economic stagnation in which they have been floundering for several years.

51. In this connexion we must point out that this phenomenon, which is entirely foreign to the developing countries in its origin, has been one of the causes of the instability of the international monetary system.

52. We continue, therefore, to be the victims of a situation imposed on us, a situation in which, being the weaker partners, we stand to lose most.

53. Our losses are all the more considerable since this inflation constantly raises the prices of our imports and therefore diminishes the value of our external assets.

54. Moreover, a consideration of the difficulties we have encountered in seeking an upgrading of the prices of raw materials will undoubtedly make it quite clear how much we fear a perpetuation of this situation.

55. It is for these reasons that it is absolutely necessary, in our view, that concrete and effective measures be taken to bring order to the international monetary situation. One of these measures, which would, incidentally, strengthen the spirit of true co-operation so necessary to the establishment of a new international economic order, would be to allow the complete and effective participation of the developing countries in the decision-making process at the level of international monetary institutions and organs. It is time that this participation went beyond the stage of mere declaration of intent and at last became a reality, a means whereby we could take part, on an equal footing with the developed countries, in the reform of a system which they have so far imposed on us.

56. Indeed, we believe that this should be the task of the international community as a whole, because the interdependence of the economic interests of States and the existence of all the organic ties between them have clearly demonstrated that no country, or even a group of coun-

³ See *Official Records of the General Assembly, Sixth Special Session, Plenary Meetings*, 2214th meeting, para. 18.

tries, can by itself wipe out the effects of this inflation which has today become a world-wide phenomenon.

57. There is another set of problems which equally requires our attention. They are: a more just distribution of industries throughout the world, an adequate transfer of technology and the development of agriculture.

58. The developing countries, because they have only 7 per cent of world industrial production, lose the opportunities for employment and the wealth created by manufacturing industries. There is need for a change in this situation, since there cannot be development without industrialization.

59. The Declaration and the Plan of Action adopted in Lima in March 1975 [see A/10112, chap. IV], during the Second General Conference of UNIDO which provided for a redistribution of world industrial production, are already oriented in this direction. One of the measures to be taken is to transform UNIDO into a specialized agency of the United Nations provided with adequate financial means and charged with making a more just distribution of world industrial production. Indeed, the obstacles in the way of the exportation of the manufactured products of the developing countries must be eliminated.

60. The new role of UNIDO will doubtless be facilitated by transfer of technology corresponding to the needs and specific conditions of the developing countries. This transfer of technology must be carried out unconditionally and cover all the elements which are the indispensable instruments for any industrial development. To this end, a code of conduct for the transfer of technology, in accordance with the needs of developing countries, can and must be considered.

61. But it is in regard to agriculture that international co-operation is most needed. This is a matter which not only is at the core of the present world food crisis but also constitutes in nearly all the developing countries their principal means of existence. The developing countries certainly represent only about 30 per cent of the world trade in agricultural products, but three quarters of their production goes to the developed countries. It is therefore an important sector, both because of its international implications and because of the important place it occupies in the economic policy of the developing countries. The support which the developed countries can bring to the development of this sector by a reduction in tariff barriers and by technical and financial assistance cannot but contribute to raising the standard of living in the developing countries and ensuring for the international community stable supplies of food.

62. The regulation of the raw material markets, the transfer of real resources to finance the development of the third-world countries, the reform of the international monetary system, the equitable distribution of industries throughout the world, the transfer of technology, the development of agriculture are crucial problems which are intimately linked to the future of mankind. Everybody is aware of the special attention with which these questions have been regularly examined for almost a decade in the various competent international bodies.

63. And, if this sustained debate has not yet had satisfactory results, the attitude of the developed countries, which I have just recalled, is undoubtedly partly responsible, but the lack of adjustment of the system itself which governs every action in this field is assuredly the most direct cause; a system which is only one component in a world economic order the maintenance of which is now a historical contradiction and an economic error.

64. Good sense, the need for change, counsel us, therefore, to make the necessary effort and to give proof of sufficient political will to contribute to the coming into being of a new order based on justice and genuine international co-operation. It is already possible, in this perspective, to reorganize the specialized agencies of the United Nations system which deal with economic and social development so that they are at the service of genuine international co-operation.

65. The international community no longer has any choice. It is condemned to work for the establishment of close international co-operation based on peace and social justice. This is certainly a difficult task, but the solidarity of destiny, which daily increases the interdependence of nations, the realization that the development of some can no longer be carried out to the detriment of others, will, we are convinced, lead the General Assembly at its seventh special session to lay the foundations of a new order in which the happiness and prosperity of all will be assured. These are not declarations of intent which can with difficulty be followed by acts that can contribute to the attainment of justice. It is by concrete, sincere and committed action that one can validly solve the multiple problems which face all members of the international community. This is the challenge to this session and, beyond that, to the Members of the United Nations. We hope that they will take up that challenge in the interest of all.

66. Mr. MALIK (Union of Soviet Socialist Republics) (*interpretation from Russian*): Permit me, Sir, on behalf of the Soviet delegation, to congratulate you on your assumption of the important post of President of the seventh special session of the General Assembly of the United Nations and to wish you success in the performance of that important task. The unanimity with which you were elected to that post is new evidence of the respect which your country, the People's Democratic Republic of Algeria, and you personally enjoy in the international arena. Your experience in presiding over the twenty-ninth session of the General Assembly and the flexibility, objectivity and firmness which you displayed give us every reason to believe that your work as President of this special session will be similarly successful.

67. We, the representatives of the socialist countries Members of the United Nations remember your words at the sixth special session of the General Assembly to the effect that the socialist countries are the natural allies of the Group of 77 in their desire to create a new era based upon justice, progress and peace.⁴ We also remember that with your active participation and under your leadership the General Assembly adopted such important decisions as

⁴ *Ibid.*, 2230th meeting, para. 185.

the Charter of Economic Rights and Duties of States [resolution 3281 (XXIX)] and the Declaration on the Establishment of a New International Economic Order [resolution 3201 (S-VI)].

68. We are sure that under your leadership the seventh special session of the General Assembly will achieve new important successes in the performance of the tasks that confront it.

69. During the past 18 months the United Nations General Assembly, on the initiative of the developing countries and with the support of the socialist countries, has been devoting its attention to two special sessions on the problems of development and co-operation of States in the economic field. The desire of developing countries to draw the attention of the United Nations to questions of normalizing international economic relations is viewed by the Soviet Union with the proper understanding, since the Soviet Union has always striven for the elimination of all forms of discrimination and inequality in world economic relations and international trade, against inequitable exchanges and in favour of ensuring national sovereignty over natural resources and restricting the arbitrary role of foreign capital. The Soviet Union has invariably advocated the establishment of equal and mutually beneficial co-operation among all countries in conditions of peaceful coexistence which would allow all States, regardless of their social and economic systems and levels of economic development, to make extensive use of advantages resulting from the international division of labour as a factor in accelerating their social and economic progress.

70. The present political situation in the world is particularly favourable for the solution of these problems. It is characterized by the continuing relaxation of tension, the diminishing danger of war and the affirmation of the principles of peaceful coexistence in international relations. To make political détente an irreversible process and to complement it by military détente, to take real steps towards limiting the nuclear arms race and averting a nuclear war, to reduce and subsequently end the arms race while working for general and complete disarmament is the order of the day.

71. The results of the Conference on Security and Co-operation in Europe, where the leaders of 35 States collectively summed up the political results of the Second World War, reaffirmed the futility and harmfulness of the "position of strength" policy and opened up new horizons and opportunities for carrying out the central task of our time, the further strengthening of peace and security, should contribute to fostering détente further and to promoting international economic co-operation. The Final Act of the Conference, which deals with a wide range of topical problems of peace, security and co-operation in Europe, formulated the fundamental principles of relations among States. These principles are of universal significance and without any doubt should form the basis for relations among States not only in the European continent but in all regions of the world as well. The translation of these principles into the practice of inter-State relations would also have a favourable effect on the development of all forms of international co-operation.

72. In his statement at that Conference, the General Secretary of the Central Committee of the Communist Party of the Soviet Union, Mr. L. I. Brezhnev, pointed out that:

"In assessing soberly the deployment and dynamics of various political forces in Europe and in the world, the Soviet Union is firmly convinced that the powerful currents of relaxation and co-operation on the basis of equality, which in recent years have increasingly determined the course of European and world politics, will gain, due to the Conference and its results, a new strength and ever greater dimensions."

73. We entirely agree with the commendation of the European Conference given in the Lima Programme for Mutual Assistance and Solidarity adopted by the Conference of Ministers for Foreign Affairs of Non-Aligned Countries, which states the following:

"The Ministers for Foreign Affairs consider, further, that the excellent results of the European Conference on Security and Co-operation will have a positive impact on the solution of problems deriving from the cold war and other international problems." [See A/10217 and Corr. 1, annex, para. 9.]

74. The main conclusion drawn from world developments in recent years is that nobody should seek to dictate to other peoples how they should arrange their own internal affairs or claim the role of world leader or hegemonic power.

75. The improvement of the international situation should help in the solution of the topical problems of international economic relations, including such problems as the developing countries overcoming the grave consequences of their colonial past, ending contemporary neo-colonialist exploitation and alleviating, even if only partially, the consequences for developing countries of the aggravated economic crisis of the so-called "market economies". The problem of discrimination based on differences between socio-economic systems urgently requires a final solution.

76. The crises of the capitalist economy are particularly detrimental to developing economies at whose expense imperialist circles and monopolistic capital seek to solve their difficulties by shifting them, directly or indirectly, on to those countries. Despite the elimination of direct colonial domination, imperialism, by means of transnational corporations, continues to exploit the countries and peoples of Asia, Africa and Latin America through the imposed unjust pricing mechanism and other methods, although the techniques and methods of such exploitation have become more refined and obscure.

77. Keeping many of these countries in its orbit, monopolistic capital condemns them to a position of inequality in international economic relations; it not only prevents them from eliminating their lag in the social and economic fields, but actually leads to an increase in this lag, that is, to a further and even greater gap in the levels of development of different groups of countries. It is quite natural that the developing countries do not want to put up with such a situation and raise the question of strengthening their

economic independence and of achieving an equal position in the world economy.

78. Recently the problem of raw materials resulting from many decades of a policy of monopolistic capital which seeks to provide for developed capitalist countries a massive flow of raw materials obtained from developing countries at artificially low prices has become particularly acute.

79. The representatives of the Soviet Union and other socialist countries to the United Nations have repeatedly set forth the views of their Governments on the general problems of development. Their joint statements are familiar to representatives in the Assembly. We are pleased to note that our position either coincides with or is similar to the approach of the non-aligned and developing States to these problems. The decisions of the sixth special session of the General Assembly with regard to the establishment of a new international economic order and the Charter of Economic Rights and Duties of States adopted by the twenty-ninth session of the General Assembly constitute an important contribution to the development of just and equitable international economic relations. These United Nations documents reaffirm the principle of peaceful coexistence, establish a proper and necessary link between socio-economic progress and the strengthening of international peace and security and between disarmament and development, and reaffirm the duty of all States to promote general and complete disarmament, the principle of the most-favoured nation in trade, and the renunciation of discrimination in economic relations which affects not only developing but also socialist countries. Colonialism, neo-colonialism, racial discrimination and *apartheid* are also condemned in these official United Nations documents.

80. The task of this Assembly and of future activities of the United Nations in the economic sphere is the practical implementation of these basic documents and, first of all, of those provisions relating to the carrying out of the necessary progressive social and economic reforms, bringing about industrialization, progressive agrarian reforms, elimination of single-crop systems, and so on.

81. The Soviet Union is developing its economic ties with other States in accordance with the principle of equality, mutual advantage and strict observance of sovereignty without any interference whatsoever in each other's domestic affairs or the imposition of unacceptable terms. The Soviet Union is actually helping many developing countries to create and strengthen their national economies, and is supporting their efforts to mobilize and make better use of their internal resources and to gain economic independence on the basis of progressive social and economic reforms.

82. Co-operation between the Soviet Union and developing countries is becoming ever more diversified with regard to its forms and methods: trade agreements; economic, scientific and technical co-operation; development of co-operative ventures in processing sectors of industry; co-operation in integrated development of natural resources; in the fields of economic development planning, transport, communications, training of national personnel and others.

83. In the period 1965-1974 the volume of Soviet trade with developing countries more than tripled, while during

the years from 1970 to 1974 alone it almost doubled. Our trade with developing countries over this period grew at a faster pace than that of the country's foreign trade as a whole.

84. An ever-increasing use is being made of industrial co-operation and the participation of Soviet organizations in building enterprises whose output will benefit both sides. Our co-operation with developing countries is based on the principles of equality and respect for common interests and is assuming the nature of a stable division of labour which counterbalances the system of imperialist exploitation in the sphere of international economic relations.

85. The Soviet Union has been contributing in every possible way to the scientific and technological progress in developing countries. Over 90 scientific centres and training institutes have been constructed and are in operation in those countries with the assistance of the Soviet Union.

86. Projects implemented with the Soviet Union's aid have created public vocational training schools for national personnel; over 450,000 specialists have already been trained in developing countries with the assistance of the Soviet Union. More than 150 enterprises in the Soviet Union have been chosen to carry out the technical and specialized training of specialists from developing countries and in those enterprises over 30,000 nationals from those countries have been trained in various trades. There are now more than 15,000 graduate and post-graduate students from developing countries studying in the Soviet higher educational institutions. The USSR will continue by all available means to help developing countries to consolidate their scientific and technical bases.

87. We attach considerable importance to such relations as those of assistance to the developing countries which are concerned with the planning of their national economic development. We shall continue to develop further all these forms of co-operation with the countries of Asia, Africa and Latin America.

88. A national mechanism has long been established and is successfully operating in the Soviet Union, a whole system of public agencies whose main objective is the development of economic, scientific and technical co-operation with the countries of Asia, Africa and Latin America. Through those organizations developing countries are provided with long-term concessional credits which are earmarked, first of all, for the development of key sectors of the economy. The repayment of credit by those countries through traditional exports and manufactured goods, including the products of the enterprises constructed with the assistance of the Soviet Union, is widely practised.

89. The USSR has bilateral agreements on economic, scientific and technical co-operation with 54 countries of Asia, Africa and Latin America. These countries have been assisted in the construction of about 2,000 different projects; 1,130 of those projects have already been completed and are in operation.

90. At the present time the Soviet Union is entering a new stage of its development. The fulfilment of the objectives of the tenth five-year plan for the development of the USSR

national economy will begin in 1976. This plan will constitute an important step towards the further development of the productive forces of our country and will also open up new possibilities for the expansion of economic co-operation with all countries of the world, including developing countries. It is quite natural, of course, that the intensity of this reciprocal process will in many ways also depend upon the efforts of the developing countries themselves to make use of the opportunities available to them.

91. The foreign economic activities of the Soviet Union are inseparable from general progress in the world socialist system, which provides the framework for increasingly improved and deeper mutual economic co-operation—for greater efficiency and improved forms of co-operation, and the accelerated development of the process of socialist economic integration within the system of the Council for Mutual Economic Assistance [CMEA]. This integration rests on such foundations as that of mutually advantageous co-operative policies in the economies of socialist countries based on a rational international division of labour among them. This leads to considerable savings in social labour for all participating countries. The economic integration of the socialist countries is open in its nature. Agreements have been reached on co-operation by the member countries of CMEA with a number of other nations—Yugoslavia, Finland, Iraq and Mexico.

92. In 1973 the CMEA signed an agreement with the International Investment Bank to establish, at the Bank, a special fund to provide credits for projects of economic and technical assistance to developing countries. From this fund, the Bank will provide credits over a term of up to 15 years to finance the development of industry, agriculture and other sectors of the economy in developing States.

93. As in the past, our country will oppose any attempts to separate the national liberation movement from its natural ally—the community of socialist States. We will never accept, either in theory or in practice, the false concepts of dividing the world into “poor” and “rich” countries or into “the north” and “the south”, which place the socialist States on the same footing as the developed capitalist States that have extracted so much wealth from countries which have for so long been under their colonial domination.

94. The authors and proclaimers of these false theories not only blur the fundamental difference between socialism and capitalism. At the same time they entirely neglect the question of the means by which and at whose expense the developed capitalist countries and the socialist countries have reached their high levels of development. Thus, they are in practice diverting attention from the responsibility of those who for centuries have kept the peoples of colonial and dependent countries under colonial domination and who, in fact, bear direct responsibility for the economic backwardness of the developing countries.

95. It was not the Soviet Union that for so long plundered the national wealth of former colonial possessions which nowadays have come to be sovereign States. It was not the Soviet Union that for centuries exploited their populations. Therefore, the Soviet Union does not bear—and I specially

stress this—any responsibility whatsoever for the economic backwardness of the developing countries or for their present difficulties that have been particularly exacerbated by the economic crisis of the world capitalist economy.

96. It is only those who have taken the path of frantic anti-Sovietism, who have adopted a monstrously hostile stand against the Soviet Union and have actually competed in this with the most outrageous spokesmen of anti-Sovietism in the West, who want to erase from their memories the long period of colonial plunder and exploitation; it is only these people who are capable of coming out with such lies and slander from this rostrum, with such distortions of historical facts, with such pathological anti-Sovietism and such attempts to shift the blame for the disastrous economic situation of the developing countries on somebody else.

97. Yesterday one speaker touched on the question of socialism. What could be said about this? The State which he represents has long since replaced socialism by great Power chauvinism, ultra-nationalism and the unbridled ambition to achieve world hegemony. It is precisely in order to achieve this objective that that State calls itself a “developing country”, thus trying to lull the vigilance of the developing countries, to enter their ranks and to use them as a means of achieving hegemony.

98. It claims the role of a protector, a defender and consequently a leader of those countries—and this is its real policy. The wolf has put on sheep's clothing in order to mislead those he wants to deceive. The ancient peoples used to say: “I fear the Greeks bearing gifts.” The non-aligned and developing countries now could well say: “Beware of those who promise protection”. These countries do not need anybody's protection or patronage. Today they are able to protect themselves and defend their interests properly.

99. In the discussion in the Assembly of the issues of development and international economic co-operation, one cannot fail to mention the particularly detrimental role of the so-called transnational corporations of capitalist countries. For it is precisely through them that the system of economic relations among capitalist and developing States primarily operates—the system nowadays known as “neo-colonialism”, the system that the developing countries themselves have christened “economic colonialism”.

100. The transnational corporations continue to plunder ruthlessly the natural resources of the developing countries and to exploit their peoples. Their uncontrolled activities—and indeed there is no one controlling these activities—and the system of corruption and bribery they practise undermine State plans and programmes of the development of the national economies, paralyse various aspects of the economic and social life of the developing States, and disrupt commodity and currency markets. All this results in the outflow of enormous amounts of money from the developing countries and undermines their balance of payments and economies. All this is set forth quite convincingly in official documents of the United Nations. This issue is now in the limelight of the United Nations and of world public opinion. It has been placed on the agenda of the United Nations, which should produce international

measures to protect the sovereign rights of the developing States faced with the economic aggression of transnational corporations.

101. All kinds of discrimination and the vestiges of colonialism, including those in the form of "economic colonialism", must be entirely eliminated from the sphere of international trade and economic relations among States.

102. Referring directly to the proposals of the Group of 77 developing countries submitted by them at the present special General Assembly session [see A/10003/Add.1, annex I], the USSR delegation considers it necessary to state the following. The Soviet Union takes a positive view of the proposals of these countries concerning the drawing up of a programme to regulate commodity markets that would ensure the development of this important sector of international trade in conditions of stability and that, in particular, would be designed to strengthen the economic and political independence of the developing countries.

103. Together with measures to establish national controls over raw materials and to promote direct relations between the producers and the consumers of raw materials, the most important element of those programmes should, in our opinion, be international commodity agreements which would encourage the dynamic and steady expansion of trade in a given commodity and make it possible to maintain just and stable prices for raw materials.

104. The effective use of international commodity agreements requires that they be universal in nature, take into account the interests both of exporters and importers and encompass the whole range of questions related to the development of trade in a given commodity on the world market.

105. The Soviet Union has no objection either to the idea of setting up international commodity reserves, as proposed by the Group of 77, as a possible measure for the regulation of commodity markets, on the understanding that such reserves would be financed on a voluntary basis.

106. The Soviet Union has consistently opposed the system of the exploitation of developing countries by imperialist monopolies by means of the continued existence of so-called "price scissors"—that is, by means of overpricing manufactured goods and underpricing raw materials. We therefore commend the idea of establishing interdependence between the prices of raw materials exported by developing countries and the prices of goods imported by them from the developed capitalist countries. This is what has come to be called "indexation". However, this is a complex question which requires further study. We regard also as just the demand of the developing countries for facilitating access for their goods to the markets of Western States—their principal trading partners—and for the removing by the latter of various tariff and non-tariff barriers in order to facilitate, in particular, the diversification of exports of developing countries of Asia, Africa and Latin America and increasing in it the proportion of manufactured goods. With regard to the USSR, as long ago as 1 January 1965 it abolished customs duties on all goods

imported from developing countries and has been systematically introducing special measures to promote imports of manufactured goods from those countries.

107. We also share the view of the Group of 77 regarding the considerable importance in present circumstances of solving the problem of normalizing the world monetary situation. Attempts in the West to do that have ended in deadlock. Negotiations on this range of issues can be fruitful only if the participants in them adhere to such fundamental principles as the opportunity for all States concerned to participate on an equal footing in working out proposals to solve international monetary problems; the need in taking decisions on these matters to take due account in the international monetary mechanism of the interests of all countries, and in particular those of the developing countries; and the gradual elimination of domination by one or several national currencies.

108. Thus, the Soviet Union is prepared to participate, in a constructive spirit, in the practical implementation of the progressive ideas and proposals set forth in the decisions of the sixth special session of the United Nations General Assembly, in the Charter of Economic Rights and Duties of States, and in the subsequent proposals of the Group of 77. We hope that the seventh special session of the General Assembly, too, will make a considerable contribution to the solution of these problems. At the same time, the delegation of the USSR believes that the struggle for the reorganization and reform of the existing structure of international economic relations should be pursued along with the struggle for the reorganization and development of a new world system of international political relations based on the principles of peaceful coexistence, the strengthening of international peace and security, co-operation among nations, relaxation of international tensions, and solving the problem of disarmament. Without the establishment of a new order in the field of international political relations, there can be no new order in international economic relations.

109. In conclusion, the delegation of the USSR would like to draw the particular attention of the seventh special session of the General Assembly and of the initiators of its convening—the Group of 77—to the problem of disarmament in connexion with the discussions in the Assembly of the issues of development and international economic co-operation. The United Nations long ago officially recognized in a number of decisions the link between disarmament questions and the problem of development. Economic and development issues cannot be considered in isolation from the strengthening of international peace and security, the implementation of the principles of peaceful coexistence, the further promotion of international détente, and the carrying out of effective measures in the area of disarmament. Indeed, how can a meaningful discussion be conducted about accelerating the social and economic development of all countries and finding more resources for the purpose of development in the context of an unprecedented peacetime arms race and expenditures for armaments totalling \$300 billion a year, as indicated by the Secretary-General of the United Nations, Mr. Waldheim, in his opening statement to the seventh special session of the General Assembly [2326th meeting]?

110. Everybody should be aware that there can be no meaningful solutions to many problems, including the problems of development, the establishment of equitable economic relations and the bringing about of a new international economic order without strengthening peace, further promoting détente and establishing a new international economic order.

111. It was precisely this important fact that the Soviet Union took into account when submitting to the United Nations its proposal for the reduction of the military budgets of the permanent members of the Security Council by 10 per cent,⁵ an action that could release considerable funds—about \$2 billion—to provide additional assistance to developing countries for purposes of development. This initiative of the USSR has found wide support among the non-aligned and developing countries. The United Nations General Assembly has approved the proposal [*resolution 3254 (XXIX)*]. Its implementation, however, is still encountering resistance from the opponents of the reduction of military budgets and of disarmament.

112. It is quite clear that the prompt convening of the World Disarmament Conference could facilitate the solution of the development problem—a task which today occupies the attention of the greatest minds in the developing and non-aligned countries. We are deeply convinced that the time has come for active efforts towards concluding the final preparations for the convocation of such a conference. This would not only assist in solving the problems of disarmament and development, but would also contribute to a further normalization of the international situation.

113. In the light of all this, it must be absolutely clear to everyone that those who hamper, impede or block the adoption of measures in the field of the reduction of military budgets and of disarmament, and who resist the convening of a world disarmament conference and disrupt preparations towards that end thereby reveal themselves, in the eyes of the United Nations and the world at large, as opponents of both disarmament and development, and thus assume a grave responsibility before the developing and the non-aligned countries and the United Nations as a whole.

114. As regards the position of the Soviet Union on the issue of disarmament, as was recently underlined, on 6 August 1975, by the Politburo of the Central Committee of the Communist Party of the Soviet Union, the Presidium of the Supreme Soviet of the USSR, and the Council of Ministers of the USSR, in their joint decision concerning the results of the Conference on Security and Co-operation in Europe, the USSR believes that the "... most important requirements of our time consist in scaling down and then ending the arms race, advancing along the road leading towards general and complete disarmament". The time is ripe for exerting active efforts with regard to all aspects of this matter, including the acceleration of preparations for the convening of a world disarmament conference.

115. Considering the strengthening of peace and security and disarmament as objectives of paramount importance,

the Soviet Union, at the same time, actively supports the demands of the developing countries for the safeguarding of their sovereignty over their natural resources, and of their rights to nationalize foreign-owned property, to control and suppress the activities of foreign monopolies, and to consolidate the principles of economic co-operation among all countries of the world on a basis of equality.

116. We are firmly convinced that if the Group of 77 seeks a solution of the disarmament problem with the same attention and firmness with which it is now raising questions concerning development at the United Nations, the deadlock around this issue can be rapidly broken and the opponents of détente and disarmament will be forced to heed the powerful voice, the will and the demands of the developing and non-aligned States members of the Group of 77, which today includes more than 100 out of the 138 States Members of the United Nations.

117. We are sure that the stand of the non-aligned countries on these international and political questions is as strong as their stand on the economic questions, and we are confirmed in this view by an examination of the Lima Declaration adopted at the Conference of Ministers for Foreign Affairs of those countries.

118. We note with satisfaction that that Conference, held at Lima from 25 to 30 August 1975, along with the profound and thorough consideration of international economic problems and the adoption of decisions thereon, paid equally serious attention to general international and political problems. They thus confirmed the necessity of creating favourable political conditions for putting into practice the noble ideas for a new international economic order. We welcome and support the decision taken by the Ministers for Foreign Affairs in Lima "... to strengthen the co-ordination and joint actions of the non-aligned countries in order to ensure international peace and security, to eliminate causes of international tension, to dismantle military bases, to create peace zones, to encourage total and general disarmament and to strengthen the United Nations". [*See A/10217 and Corr.1, annex, para. 99.*] We also note and welcome the decisions of the Lima Conference to "... agree to co-ordinate the actions of the Non-Aligned Countries within the framework of the United Nations, in order to promote the activities for the holding of a World Conference on Disarmament, with as little delay as possible, with the participation of all States on an equal basis". [*Ibid., para. 113.*] We also view with sympathy the determination of the non-aligned States "to take co-ordinated and collective action against the "... threats of use of force, intervention, aggression, foreign occupation, and measures of political and economic coercion which attempt to violate the sovereignty, territorial integrity, independence, and security of the Non-Aligned Countries". [*Ibid., para. 99.*]

119. Thus the position of the Soviet Union on the fundamental economic and international political problems either coincides with, or is very close to, that of the non-aligned countries. From this important rostrum the Soviet delegation states that the Soviet Union is prepared to co-operate with the non-aligned and developing countries for the achievement of these major objectives.

⁵ *Ibid.*, Twenty-eighth Session, Annexes, agenda item 102, document A/9191.

120. We also support the strongly favourable assessment of the continuing process of relaxation of international tension given in the Lima Declaration of the non-aligned countries, and the statement by those countries concerning the need to extend détente to all parts of the world.

121. The delegation of the USSR notes with great satisfaction also the fact that the non-aligned countries once again, at the Lima Conference, confirmed their previous position set forth in the decision of the First Conference of Heads of State or Government of Non-Aligned Countries, held at Belgrade in 1961, and declared their determination to struggle for "independence, national emancipation and active, peaceful coexistence", as well as their "constant and consistent opposition to policies of force and to the actions of imperialism, colonialism and all other forms of international domination" [*ibid.*, para. 96].

122. All this gives us grounds for believing that at the present special session, as in the past, unity of action on the part of the delegations of the socialist and non-aligned countries will help the General Assembly to take a new step forward along the road of progressive transformation of international economic relations in the interests of all States and in the interests of peace and co-operation among peoples.

123. Mr. CALLAGHAN (United Kingdom): The United Kingdom approaches this special session in a spirit of constructive co-operation with the developing countries. We do so because Britain believes that the world order must be made tolerable for all mankind. At present it is not. Conditions of life for the majority of people in the developing countries are harsh and frustrate the full use by men and women of their human potential.

124. The key to bettering these conditions lies in creating a partnership—a partnership between the developed and developing countries, a partnership that will overcome the inadequacies of education, the rudimentary health facilities and the malnutrition which are the common lot of individuals in the poor countries. And where resources or human skills are not sufficient to build a modern economy and develop the necessary technology, Britain accepts that it shares a responsibility with others to help to create an adequate social and administrative structure in those countries.

125. At present real progress towards solving these problems is very slow—too slow. This is mainly because of the sheer size of the needs that have to be met. But there have also been setbacks as a result of world inflation and recession.

126. The British Government has carefully examined the results of the sixth special session, and we have taken an active part in discussion in the Commonwealth, the OECD, IMF IBRD and the European Community. Much of the discussion in which we have engaged has been concentrated on the means of closing the gap between rich and poor. The British Government supports the view that the balance between the rich and poor countries of the world is wrong and must be remedied. The Commonwealth Finance Ministers, meeting a week ago in Georgetown, Guyana, generally endorsed the report by a group of experts directed towards

a new international economic order [*see A/AC.176/5*]. The Commonwealth Governments did not commit themselves unreservedly to every aspect of this report, as my colleague Mr. Errol Barrow of Barbados said this morning, but they commend it to the world community as a valuable contribution to the international dialogue.

127. That dialogue has been in progress for some time. Some steps have already been taken towards creating a more balanced and equitable structure of international economic relations, and perhaps I may take a minute to give some examples.

128. The World Food Conference has drawn up a comprehensive list of recommendations for action to deal both with the immediate and with the longer term problems of eliminating starvation and raising the peoples of all nations above subsistence level.

129. The Second General Conference of UNIDO has focused attention on the problems of industrial co-operation.

130. At the last two sessions of the Third United Nations Conference on the Law of the Sea substantial progress has been made towards drawing up new arrangements in this complex sphere where the interests of many countries are affected in different ways.

131. The Declaration made in Tokyo⁶ by all major trading nations when they began the new round of multilateral trade negotiations acknowledged the need for special measures to safeguard the interests of the developing countries.

132. The members of the European Economic Community have significantly improved their generalized scheme of preferences and, as Mr. Rumor said the day before yesterday when he spoke as President of the Council of the Community [*2327th meeting*], they propose to extend it beyond 1980—and this is a field in which my country was one of the pioneers.

133. Then there is the Lomé Convention,⁷ which opened up increased trading opportunities for the European Community and some 46 developing countries and has broken new ground with its scheme for the stabilization of export earnings from certain raw materials.

134. There is IMF which in the last few days has reached agreement on selling some of its gold, part of the proceeds of which will benefit the developing countries. IMF has reached agreement on considering the establishment of a trust fund to provide finance on a highly concessional basis for the developing countries and on completing as soon as possible the review of the Fund's facility for compensatory finance.

135. One specific example: there was the successful conclusion of a new International Tin Agreement in Geneva

⁶ Declaration of 14 September 1973, approved by the Ministerial Meeting of the Contracting Parties to the General Agreement on Tariffs and Trade held in Tokyo.

⁷ ACP-EEC Convention of Lomé, signed on 28 February 1975 at Lomé. The text was subsequently circulated as document A/AC.176/7.

last June, which gave fresh evidence that when consumer and producer countries co-operate in international activities they can find a solution that is of benefit to both.

136. With every month that passes, the nations realize their growing interdependence, and these first steps which I have outlined also demonstrate that the interests of developed and developing States are complementary and can best be served by co-operation and not by confrontation. It is my impression that this is increasingly recognized, that indeed it has led to a growing recognition on the part of the developed nations—of which we are one—of the need of a programme of positive action; and, on the other hand, it has led to a growing realization on the part of the developing nations of what it is possible to do.

137. The question for us now is whether all Member States or, if not all, the majority of Member States accept that the degree of common interest which we share is sufficient to enable us to reach agreements where we can, despite the difficulties that will continue to exist in other areas. I believe this question has begun to be answered affirmatively. If so, Britain will play a constructive role in seeking such agreements. The outlook for relations between developed and developing countries appears brighter than it did 18 months ago. There now exists an opportunity, born out of this wider understanding, to set a course which will give hope to millions who now struggle to survive.

138. But there is not yet room for too much optimism. First, these developments, welcome and significant though they are, are only first steps. On some important issues the debate within the international community has revealed wide differences for which a solution is not in sight.

139. There is another reason for caution. The best hope for quick progress towards a new relationship lies in recovery from the present recession and in a sustained expansion of world trade and production. The recession has bitten deeper and is lasting longer than the experts forecast. It usually does. The developed and developing nations have a joint and vital interest in co-operating to prevent any further delays or obstacles to the recovery of the world economy, coupled, of course, with the control of inflation.

140. Nevertheless, I should like to comment briefly on six areas where I believe the world community has a good opportunity to make progress now.

141. First, in the field of commodities; the initiative taken by the British Prime Minister at Kingston at the Meeting of the Commonwealth Heads of Government held in May of this year on trade in commodities was made by him as a contribution to our collective thinking, but with a view to early action. We regard trade in commodities as the outstanding example of economic interdependence, and our particular interest derives from our position as a major trading nation and, incidentally, as a major potential oil producer.

142. The Foreign Minister of Italy, representing the presidency of the Community, has informed this Assembly already of the position the European Community has adopted on commodities and on certain other issues

relevant to our work. The Community's position is the result of detailed studies and discussion at the highest political level.

143. Britain, with the other members of the Community, sees merit in a comprehensive approach to this problem. We share its ideas for the principles which should govern this trade. We are ready to take part in commodity agreements wherever they can play a useful role in stabilizing prices and supplies. The precise form of the arrangement for each commodity should be for decision by the exporters and importers concerned.

144. Together with the other members of the European Community we will work for the stabilization of trade in certain vital foodstuffs; we will play an active role in renegotiation of the coffee and cocoa agreements—commodities of special interest to developing countries. And I wish to urge once again today, as Britain did earlier, that action be taken on the problems of jute and tea. We wish to see the work in the intergovernmental groups on these and other commodities lead to concrete proposals for the improvement of trade.

145. Commodity arrangements by themselves of course do not help all developing countries that produce raw materials. Such countries cannot achieve steady development if their main sources of income from export earnings swing from high to low over short periods. We therefore propose as a complement to commodity arrangements that stabilization schemes should be worked out to help avoid fluctuations in export earnings, such schemes to be associated with IMF.

146. I should like to pay a tribute to the work of the secretariat of UNCTAD in this matter of commodities. But there are differences between UNCTAD's approach and that of the European Community. I have particularly in mind UNCTAD's proposal for a common fund to finance stockpiles. Whether or not such a fund could be set up and could operate effectively would, of course, depend in part on the willingness of the potential contributors and on the exporters and importers of individual commodities identifying those which might be suitable for treatment in this way. We have doubts about the idea of a common fund. We have always viewed the question of buffer stocks as one part of the complex of issues involved in approaching each commodity. Nevertheless, we are ready to join in further study of this proposal and shall place ourselves at the disposal of such a study. Further, we ask that such a study and the necessary consultations should be pursued with vigour so that when UNCTAD assembles in its fourth session at Nairobi next May we shall be in a position to take a collective view on this matter.

147. The only other major point of controversy in this field is indexation. I am bound to say to you that our own studies persuade us that indexation is neither the fairest nor the most effective method to help developing countries that produce raw materials, let alone those poor countries which are net importers of raw materials. Our reasons for having reached this conclusion are well known; they need no repetition here. But again, in what I hope is a constructive spirit, I acknowledge that many developing countries take a different view. As my Prime Minister said at Kingston last

May, the British Government believes that this issue, too, can be further studied so that we can collectively come to a conclusion. It is not our position that the purchasing power of developing countries should not be protected. The argument is about method.

148. Despite these differences, the convergence of view over the last seven months on how best to bring order into trade in commodities has been greater than even the most optimistic among us expected. Work on the remaining controversial issues should be concluded as soon as possible, and I suggest to you that we should aim to reach agreement on the necessary international arrangements by the end of 1976. I believe that gives us enough time.

149. Now I will say a word on regional co-operation. One of our shared interests, whether developed or developing, is that an important way of increasing world prosperity is through expansion of world trade. Historically, trade has increased much faster between developed and developing countries than among the developing countries themselves. For this reason I welcome the greater emphasis now being placed on the need to strengthen economic co-operation between the developing countries. This is of course a matter which lies primarily in the hands of the developing countries themselves, but my country stands ready to help with technical support and in other ways; and I should like to commend to my colleagues for study the analysis of this problem and the suggestions for action made in the report by the Commonwealth Group of Experts to which I have already referred.

150. On the question of aid for the poorest, severe problems of poverty have hindered the economic growth and social progress of the poorest countries. More countries are now coming to agree that scarce concessional aid ought to be concentrated increasingly on the poorest countries and used in ways which would directly benefit the poorest sections of their population. We all know how great and urgent the problem is. Recent reports of IMF and IBRD have set out in stark terms the appalling statistics of world poverty. The British Government is committed to playing its full part in the world community's attack on poverty, and we shall do so both within the international aid institutions and through our bilateral aid programme.

151. British aid has always been given primarily to those in the greatest need. In 1974 we committed 70 per cent of our total bilateral aid to countries with a *per capita* income of less than \$200. We shall concentrate our aid on the poorest even further in the future. This will affect not only the distribution of British aid but also the terms on which it is given. The grant of United Kingdom aid commitments in 1974 was 86 per cent, and we have decided that our aid to the poorest countries will in future normally be given as outright grants, instead of as loans.

152. On food and rural development, the report of the Commonwealth Group of Experts to which I have already referred includes a succinct statement on food production and rural development. Over the past generation food production has been increasing faster than the population. But the *per capita* increase is much smaller in developing countries than in developed countries. In consequence,

many developing countries are more than ever dependent on cereal imports from developed countries. Food aid has helped to make good the deficit and must clearly continue for the time being; reserve stocks of grain must be built up. But the major need is to increase food production in developing countries and to stimulate rural development. More resources must therefore be devoted to producing food. My country already devotes a large part of its assistance to agricultural development, and it is our intention to increase this. We have already pledged our support for the proposed international fund for agricultural development, and I renew that pledge today. I trust that others will do the same.

153. This year, in addition to the 25,000 tons of fertilizer we have already provided, we shall contribute a further 100,000 tons of fertilizer to the scheme of the Food and Agriculture Organization of the United Nations for the benefit of the most seriously affected countries.

154. The establishment of the Consultative Group on Food Production Investment and the work of the World Food Council will help to ensure that the resources available are directed in the most effective ways to those in greatest need. Britain is perhaps especially well fitted to contribute through technical assistance. We recognize that when we undertake such schemes we must be ready to maintain our involvement in them if they are efficient schemes for as long as is necessary to achieve success. We shall do so. But whatever help developed countries can offer success or failure in this field will depend in the end on the actions taken in the developing countries themselves. Only they can determine that the assistance they receive is directed to the right ends and creates the right conditions for progress.

155. On industrial co-operation, there are two avenues leading to greater participation by developing countries in trade in industrial goods—the most dynamic sector of the world economy. First, the developed countries must open further their markets to the products of the developing countries and, second, they must help the developing countries to take advantage of these new opportunities.

156. As Mr. Rumor rightly said on behalf of the European Community, the member States are determined to continue their policy of improving the generalized preferences scheme and will work resolutely to achieve the objectives for the developing countries set out in the Tokyo Declaration on the multilateral trade negotiations. These are engagements to which my Government is strongly committed.

157. Moreover, the developing countries must be helped to increase their own manufacturing potential. There are opportunities here for fruitful co-operation between developed and developing countries.

158. The British Government's response to this is to help developing countries in three ways: first, by providing technical and managerial assistance; secondly, by offering training facilities both in the United Kingdom and overseas; and, thirdly, by financial assistance of various kinds.

159. We will continue to offer this help. Of these three aspects I should like particularly to stress the provision of

management expertise, a resources of which there is a world scarcity. Indeed, the Commonwealth Group of Experts also pointed out in their report that the gap in technology and skills is in many respect the most basic of the gaps between the rich and the poor countries [see A/AC.176/5, para. 30]. Clearly, then, one of the most valuable contributions developed countries can make is in the supply of management and facilities for the training of management to help developing countries to get their new projects and infant industries off the ground, and my country stands ready to make this contribution.

160. Regarding the reform of the United Nations structure, an important issue before us is that of a possible new structure for the economic and social side of the United Nations system. Last year⁸ I called for some reform of this structure and welcomed the decision to undertake a study of possible changes which would make the United Nations system a more effective instrument for international economic co-operation [resolution 3343 (XXIX)]. Many countries are wary of taking hasty decisions on what this new structure should be. I understand that. But the report produced by the Group of Experts on the Structure of the United Nations System⁹ earlier this year is a commendable achievement, and it maps out one path towards a better and more effective structure for the United Nations system. As such it is something we should welcome and try to build upon without undue delay. Bad organization can impede and even negate good policies. While seeking, therefore, as we are, to work out the international economic policies which will benefit the world community as a whole, and the developing countries in particular, we should not neglect the task of finding a structure for the United Nations system which will ensure that these policies are properly carried through. Britain therefore proposes that an intergovernmental committee be established to draw up proposals based on the experts' report.

161. The courses of action I have commended today are all designed to lead to an increase in the real wealth of the developing countries. They are not intended to be transient measures. They are meant to ensure a permanently improved structure for the developing world and, if taken, they would result in a lasting gain to those concerned. In saying this I do not forget that the years 1974 and 1975 have marked the most rapid transfer of resources between groups of nations ever seen in our history. And the wise harnessing of these resources in triangular form to meet the needs of the developing world is one of the major tasks that now faces us.

162. The statements here this week show that we can truly say that in recent months the areas in which action is required have been identified and that the debate as to the best remedies is under way. I should like here to refer to the statement which was delivered on Monday by the United States Permanent Representative [2327th meeting]. We shall make early examination of the many far-reaching and constructive proposals and ideas which it contained, as indeed we shall wish to consider all the various proposals

made here this week, for example by the Commonwealth Group of Experts and others.

163. I believe that we are now ready to move on to the next stage of our work, namely, negotiation. No country's interests can be talked out of existence. In the end, conflicting interests must be reconciled through negotiation. The lesson I draw from this week's debate is that this is the next task: for those concerned to work out the best possible arrangements through negotiation. The fact that many of us here are coming to this conclusion should be a source of inspiration in the next step of our work.

164. As we approach the next stage there is one point on which we must clear our minds. I dare say that I am not the only one in this Assembly who is somewhat puzzled by the seeming duplication of effort and the overlapping of forums in which work is taking place. We must not only identify the sectors where progress can be made to achieve our common objectives but also determine who is to do what, and where. I suggest that this seventh special session would perform a most useful function if it began to clear up this confusion. The problems we face are immense and urgent. We have neither time nor resources to waste.

165. For Britain, our discussions here, and the negotiations which must follow—and, we hope, will follow quickly—have a social and a human purpose. We believe that the provision of the basic needs of the men and women on this planet cannot be left to the whims of chance or the accident of birthplace. Our purpose, therefore, is one of constructive co-operation with all nations to improve the lot of those who are poorest on the earth. This seventh special session is not an end in itself. It is a staging post on a journey in which different interests must be reconciled by discussion, by negotiation and by agreement, whilst we keep our goal in mind. Our meetings this week and next can give a fresh stimulus to this work.

166. Mr. MINIC (Yugoslavia):¹⁰ Mr. President, it indeed gives me great pleasure to have this opportunity to greet and congratulate you in your capacity as President of this session of the General Assembly.

167. I also wish to thank Mr. Callaghan for his most constructive statement.

168. At the same time, I wish to pay a tribute to friendly Algeria and to you personally, Sir, for your great contribution to the successful fulfilment of the role and the tasks of the United Nations in an international situation burdened with numerous complex, difficult and complicated political, economic and other problems.

169. In your introductory speech [2326th meeting] and in the statement of the Secretary-General of the United Nations, Mr. Kurt Waldheim, emphasis was laid on the great significance of this session of the General Assembly, convened on the initiative of the Fourth Conference of Heads of State or Government of Non-Aligned Countries in Algiers. Both you and the Secretary-General have drawn our attention to grave international economic issues to

⁸ See *Official Records of the General Assembly, Twenty-ninth Session, Plenary Meetings*, 2240th meeting.

⁹ *A New United Nations Structure for Global Economic Co-operation* (United Nations publication, Sales No. E.75.II.A.7).

¹⁰ Mr. Minić spoke in Serbo-Croatian. The English version of his statement was supplied by the delegation.

which we should accord priority in our debates and in the decisions that we are going to take. In your speech I find not only the views of your country but also the first presentation here in this General Assembly of the clear positions on international economic relations and development adopted by the Conference of Ministers for Foreign Affairs of Non-Aligned Countries which in Lima three days ago terminated its work with great success, marked by a further strengthening of the unity and solidarity of non-aligned countries.

170. At this session we have to make concerted efforts towards the solution of the problems of development and international economic co-operation and, because of this, it constitutes a logical sequel to the sixth special session of the General Assembly, at which we adopted important documents on the establishment of the new international economic order. An analysis of the situation and trends in the world economy and international economic relations fully confirms the far-reaching impact of the documents adopted, pointing to the need for radically changing the existing system.

171. The world economy is characterized by the ever-widening gap between the developed and the developing countries and by profound upheavals which have upset both production and employment, as well as trade, monetary and financial relations and other areas of economic life.

172. The developing countries are the hardest hit by this crisis. To this has certainly contributed the fact that the international obligations assumed in favour of the developing countries are not being implemented, including the International Development Strategy, which should be adapted to present-day conditions.

173. There is no national economy, irrespective of the level of development and social system, which is not, directly or indirectly, to a greater or lesser extent, affected by current trends in the world economy and which does not suffer from the consequences of their adverse effects.

174. In this connexion, may I quote the words of the President of the Socialist Federal Republic of Yugoslavia, Josip Broz Tito, who, speaking recently at the Conference on Security and Co-operation in Europe, said:

"It is the duty of all countries to contribute towards the establishment of more equitable economic relations, and, in particular, of the developed ones to display greater understanding for the problems of developing countries, since this is most assuredly also in their own immediate and long-term interest."

175. I wish to point out that the developing countries, including my own, have always insisted, especially since the Fourth Conference of Heads of State or Government of Non-Aligned Countries in Algiers, on the need to solve outstanding problems not by means of confrontation but by negotiations and agreement on the basis of genuine equality. This is, at the same time, one of the most important messages of the Lima Conference, which examined successfully also the issues submitted to the Assembly at this session.

176. Compared with past efforts and projects, the Declaration and the Programme of Action adopted at the sixth special session as well as the decisions of the twenty-ninth session and the Charter of Economic Rights and Duties of States constitute the most comprehensive and most realistic concept for the solution of development problems, as they reflect the long-term needs of development as well as aspirations of all the members of the international community, although certain countries have not accepted that concept since it calls into question the privileges they have been enjoying at the expense of other peoples and countries.

177. The non-aligned countries, together with the other developing countries, have elaborated at their meetings and other international gatherings their positions of principle on the question of accelerated development of the developing countries as the key problem of the world economy. These positions provide a comprehensive political basis for solving the current and long-term problems of both the developed and the developing countries, that is, of the world economy as a whole. These positions are based, first, on reliance on one's own forces; secondly, on the development of mutual co-operation among the developing countries; and, thirdly, on economic co-operation with the developed countries based on equality.

178. We expect this session to make a significant contribution to the elaboration of starting points for a concrete solution of the complex problems of the world economy and international economic relations. If we are to make the break-through today, when we have grasped the essence of the interdependence in the world more thoroughly, what we need is a corresponding political readiness for greater and more determined involvement in actions aimed at effecting substantive changes by means of dialogue and agreement based on equality.

179. There is no longer any need for repeating what we have already said at the sixth special session of the General Assembly, but we should agree on a programme of measures for the concrete solution of the major acute economic problems of the world.

180. I consider as fully justified the warning we heard in the general debate to the effect that there is no time for tergiversation and various manoeuvres aimed at delaying the solution of problems and at preserving the existing relations of domination, exploitation and privileges in international economic relations.

181. If we failed to pass now from general positions to negotiations and agreements on concrete solutions, the hopes and expectations of many countries of the world and of millions of people whose eyes are turned towards the United Nations would give way to disappointment.

182. In order to move forward towards concrete solutions we must find a way to overcome bloc divisions and for the Member States of the United Nations to commit themselves with full force along the line of one policy and programme leading first to the solution of burning, priority international economic problems, and gradually to the establishment of new international economic relations that will

correspond to the development needs of the world economy and equitable international economic co-operation.

183. We cannot interpret the objection that the non-aligned countries and the developing countries as a whole have formed a bloc linked by solidarity otherwise than as a sign that precisely the solidarity of these countries constitutes today the greatest obstacle to the continuation of the existing situation and postponement of the solution of international economic problems. It is precisely in this solidarity that the strength of these countries lies. Without this solidarity and unity there would have been neither a sixth nor a seventh special session of the General Assembly. The course of development of over-all relations in the world would be quite different from what it is today; we should be further removed than at present from peace in the world, from peaceful coexistence, equitable international co-operation—particularly international economic co-operation, for which, it seems to us, prospects are opening up to an increasing extent to the benefit of all countries, whether developing or developed.

184. We also consider as completely justified the warning which we have also heard in the general debate that the solution of international economic problems is the task and responsibility of all the Member States of the United Nations, but that the developed countries bear the greatest part of that responsibility since they dispose of the most developed and largest resources; they hold in their hands the most powerful factors of development ranging from capital, technology and science to cadres of all vocations, for which there is a dire need in all the developing countries and, most of all, in the least developed ones.

185. The situation in the developing countries is a consequence not only of the long rule of imperialism, colonialism and neo-colonialism but also of the character of world trade and monetary and credit systems which are based on the doctrine of equal terms but which, for the developing countries, represent total, relative and absolute inequality in every respect. Precisely these systems have resulted in a serious lagging behind of many developing countries.

186. Following the debate attentively so far, we can conclude that a positive evolution in the positions of a large number of developed countries concerning international economic problems has taken place. Although we consider this to be a belated process, we are convinced that it is very important for the further development of over-all international relations.

187. Although the speech made by the United States representative [2327th meeting] has left us under the impression that there still exist profound and, one might say, fundamental differences regarding the general concept between the United States and the developing countries, differences regarding the causes of present world economic problems and the ways of eliminating them, regarding the approach to and ways and methods of solving them, we shall recognize, as a contribution to the search for concrete solutions of the various issues which we are dealing with at this special session, all that proves to be of merit in the large number of suggestions and proposals.

188. We can refer similarly to the proposals of the European Economic Community, with which the Minister of Foreign Affairs of Italy, Mr. Rumor [*ibid.*], has acquainted us in the course of the debate, in his capacity as President of the Council of the Community. We feel that it is a positive factor that these proposals have been submitted by the nine member countries of the Community and that they, too, represent a contribution to determining the elements for negotiations and agreement which are to be contained in the documents to be adopted by this special session of the General Assembly of the United Nations.

189. Even though these proposals are concerned almost exclusively with one part of the questions affecting the developing countries and not with all the other current world problems, such as, for instance, the situation of the international monetary system, etcetera, we nevertheless consider that, at the present moment, these proposals contribute to the search for important elements for concrete multilateral negotiations and agreement.

190. We shall continue to strive patiently and persistently so that all developed countries and all decisive factors in the developed countries may realize that we have to solve all economic problems together, that there are no such problems which could continue to be the monopoly of the most developed countries or could be solved successfully without the participation, on a footing of equality, of all countries, both developed and developing, regardless of the existing vast differences between them in terms of economic power and level of development.

191. I wish to stress the ever greater understanding that the Scandinavian and some other developed countries have been showing for a long time of substantive changes in the position of developing countries in the world economy and of equitable international economic co-operation. From all this we draw the conclusion that conditions are becoming ripe for negotiations and agreement on individual questions the solution of which has been, unfortunately, delayed for years in spite of the ever clearer and ever more complete proposals advanced by the non-aligned countries in particular, as well as by the developing countries as a whole.

192. Consequently, as I have already said, differences regarding the general concept remain and we should strive to overcome them, which is possible only through the expansion and strengthening of equitable international co-operation. It is not our intention to reopen the debate on this subject, as we feel it unnecessary. In our view, the Declaration on the Establishment of a New International Economic Order and the Programme of Action remain in full force, as well as all other decisions adopted by the United Nations with respect to the same problems.

193. But we do not see the above-mentioned differences as an insurmountable obstacle that would prevent the General Assembly at this seventh special session from formulating and adopting by consensus, on the basis of the proposals and suggestions of all the participants in the debate, a document that would provide a basis for direct negotiations and agreements in appropriate organizations and institutions of the United Nations and outside the world Organization, immediately after this special session.

194. In this respect, we attach particular significance to the activities of UNCTAD bearing in mind its outstanding role in international economic co-operation and the contribution that the fourth session is expected to make.

195. We believe the debate has so far shown that, among the many concrete proposals, there are points of contact, in spite of understandable differences in certain questions, and that the Committee which will prepare the draft document can conclude this task successfully. A valuable contribution in this respect is undoubtedly the position paper that the Group of 77 has prepared [*A/10003/Add.1, annex I*] in the light of the consultations it has conducted with the developed countries at the initiative of the Co-ordination Bureau of non-aligned countries at its meeting in Havana in March 1975.

196. We must achieve genuine consensus with respect to the decisions we are going to take. There is no guarantee that our decisions will be carried out if there is no general agreement among the Members of the United Nations, that is to say, agreement between the developing and the developed countries.

197. There are United Nations decisions which we adopted by consensus and which are not being implemented. Cases in point, in this respect, are the International Development Strategy, discussions on the Middle East, Cyprus and others. The decisions that the General Assembly will adopt at this special session should not suffer the same fate. If this were nevertheless to happen, instead of co-operation between us it would be very difficult to avoid confrontation.

198. It appears that we all agree that confrontation is not conducive to solutions but only to an aggravation of problems. However, if the developed countries do not show, in practice, that they are prepared to accept appropriate agreements implementing the decisions taken by the General Assembly at this special session, as well as the decisions taken earlier by very important world conferences organized by, or held under the auspices of the United Nations, they will thereby impose confrontation instead of co-operation and the developing countries, and the non-aligned countries in particular, will quite naturally, be compelled to react—in defence of their interests—in an adequate manner and strengthen even further their operational ability, solidarity and unity.

199. My delegation feels that the field of primary products is of exceptional importance and this is the reason why the greatest attention was devoted to it in the preparatory stage. At the same time, this is an area in which problems multiplied faster than they were resolved. Proceeding on the generally accepted principles of the full right of every country to dispose in sovereignty of its natural resources and in view of the fact that individual isolated solutions have not produced satisfactory results in the past, the developing countries have initiated the so-called "integral approach" which, we are convinced, offers comprehensive solutions. Without going into details, I wish to point out that, at this juncture, it is most important to find an adequate solution ensuring a stable growth of the export earnings of developing countries and the diversification of production and exports, while greatly improving conditions

for access to import markets. It is also in the interest of the developed countries to go along with the suggested solutions as these would, among other things, ensure sustained supply, open up possibilities for expanded trade and would, in general, bring stability to world economic trends.

200. The vital importance of all these problems for the developing countries is best illustrated by the fact that at Lima, last week, the Conference of Ministers of Foreign Affairs of Non-Aligned Countries adopted a decision finalizing the procedure for the establishment of a special fund for the financing of buffer stocks of raw materials and primary products exported by the developing countries, initiated at the Conference of Developing Countries on Raw Materials held at Dakar in February. It is known that the developing countries wanted this fund to become the concern of the international community as a whole. However, as their economies were seriously affected by the postponement of this action, they decided to exert their own collective effort, in the belief that this will speed up the reaching of agreement on a common policy for all countries in the whole field of primary commodities.

201. As regards the reform of the international trade system, which should stimulate and promote the growth of economic co-operation between countries at different levels of economic development, we consider it to be of paramount importance that the principles of preferential and non-reciprocal treatment of developing countries should be built into this system. We are convinced that one of the reasons for the developing countries lagging behind in world trade lies in the obsolete character of the existing institutional premises on which the system of trade relations between the developed and the developing countries has been built. In fact, the formal equalization of the terms of trade of all countries amount to discrimination against the less developed countries of the world. The multilateral trade negotiations, now under way in the General Agreement on Tariffs and Trade [*GATT*], should orient *GATT* towards adopting an active approach to priority problems arising out of the position of the developing countries in international trade.

202. The adoption of the generalized scheme of preferences, no doubt, represents an important contribution to the recognition of the indispensable practice of preferential treatment of imports from developing countries. And yet, the generalized scheme of preferences has been adopted internationally as a "waiver", limited in time, of the existing basic rules of *GATT* on the equal treatment of all countries, thus limiting its nature as a turning point in the development of international economic co-operation. We feel that it is necessary to make such changes in the rules and procedures of *GATT* as will orient it towards the creation of conditions for direct and decisive incentives for the promotion of the trade of developing countries in terms of their economic development.

203. My country attaches exceptional importance to international financial co-operation which we should promote further through concerted efforts. We should endeavour to find, in this sphere, new instruments and mechanisms that will render possible a more intensive channelling of financial flows to the developing countries; in this connexion, the principle of automaticity should become an

important factor for greater stability and easier mobilization of resources.

204. Efforts for increasing the volume and improving the terms of the international financing of the developing countries, particularly through multilateral channels, constitute the common denominator of the majority of measures that should be undertaken, measures which would, together with appropriate investment arrangements that countries possessing modern technology would provide, give a powerful impetus to world economic activity and be of benefit to all. The developing countries, which do not have sufficient domestic resources for economic development and to overcome their balance-of-payments deficits, should obtain from international financial institutions additional financing, on the condition that this should not bring them into a situation where they would have resort to measures designed to limit their imports and, thereby, their economic development.

205. In this context, we should support new proposals and programmes of work of the international financing institutions, within the framework of the United Nations system, and encourage initial steps towards a substantive increase of the participation of the developing countries in the decision-making processes in the World Bank and IMF. I wish to emphasize that the Lima Conference, adopted several measures aimed at promoting financial co-operation among developing countries, including arrangements for the beginning of the functioning of the Solidarity Fund for Economic and Social Development in the Non-Aligned Countries. In this respect special emphasis was laid on the contribution and role of developing oil-producing countries.

206. With regard to the reform of the international monetary system, it is very important to speed up the work of the Interim Committee of the Board of Governors of IMF on the International Monetary System and make efforts to complete the work on the reform by the end of next year. In this respect it should be ensured that the principles of equality and respect for the interests of all countries, and particularly for the needs of the developing countries, should be incorporated into the new system.

207. As to the problem of food and agriculture, I consider that we are faced, in this sector, with the encouraging circumstance that the significant decisions of the World Food Conference in Rome¹¹ were generally accepted and that the Conference was followed by intense activity aimed at implementing the adopted decisions. I have in mind, first of all, the establishment of the International Fund for Agricultural Development and the provision of cereals to endangered countries and regions, as well as some other measures. I feel that this session should reach further agreement concerning an early implementation of all these decisions. We should not be discouraged in our efforts by the unsatisfactory results of the first session of the World Food Council held in June 1975, but should intensify our efforts with a view to coming closer to the implementation of the exceptionally important decisions of the Rome Conference.

¹¹ *Report of the World Food Conference, Rome, 5-16 November 1974* (United Nations publication, Sales No. 75.II.A.3), chaps. I and II.

208. Bearing in mind the decisive importance of science and technology for economic development, the actions to be initiated in that area should be aimed at ensuring such international co-operation as will enable all countries—and especially the developing countries—to share, equitably and in as favourable conditions as possible, in the latest technological advancements and, at the same time, to develop their own technological basis. In this context, the acute questions of creation, transfer and application of up-to-date techniques and technology in the developing countries should be taken up as soon as possible. In this respect we attach special significance to the establishment of a bank of technological information and to the preparation and adoption of an international code of conduct for the transfer of technology from the developed to the developing countries, as well as to the revision of the patents system.

209. In the field of industrialization, we consider it necessary to undertake energetic measures for the implementation of the Declaration and the Plan of Action adopted by the Second General Conference of UNIDO in Lima [see A/10112, chap. IV]. We attach great importance to the proposed system of consultations with a view to elaborating concrete development programmes for various industrial sectors in the developing countries, which would lead in a most concrete way—provided adequate financial arrangements are made—to a new international division of labour.

210. I should like to draw special attention to the situation of the least developed countries as well as the land-locked and island developing countries. Their problems are quite specific because, in addition to the difficulties encountered by all the other developing countries, they find themselves in a position where, without international assistance and support, they can hardly secure conditions for the initial accumulation of resources for development. The time has come to adopt and to start implementing forthwith a programme of special measures in their favour. We also deem it indispensable to implement all the measures adopted by the sixth special session in order to alleviate the situation of countries most seriously affected by the current economic crisis. Within this framework, the establishment of the Special Fund of the United Nations should be accorded the highest priority in our decisions. I should like to lay special stress on the heavy burden of foreign debts and pledge our full support for the initiatives to find the most favourable solutions for those developing countries.

211. There is no need to emphasize that my country has always considered the United Nations to be the most important world forum in which world economic problems should be solved and equitable international economic co-operation promoted, respecting the interests of all countries. Together with the non-aligned and other developing countries, we have always pointed to the harmful effects of dealing with these problems within closed, privileged gatherings, which have ignored, and even acted to the detriment of, the developing countries. There are such attempts even today, although experience has amply shown that they have more often than not been the source of new difficulties rather than means for surmounting them. This, of course, does not mean that certain problems cannot be

solved at *ad hoc* conferences, provided they contribute to the promotion of the general aims of co-operation and take into account the interest of all countries. However, such conferences too must be incorporated into the integral and universal activity of the United Nations and should strengthen the role and influence of the world Organization in the solving of world problems.

212. Talks are now in course on convening a conference in Paris on energy, raw materials and development. As before, we believe that the said conference can contribute to the solving of the acute problems of energy, raw materials and development, provided it is understood that what is involved is negotiations between the developed and the developing countries, that each group itself should appoint its representatives with an established mandate, that solutions should be prepared simultaneously and in connection with all the three complexes of problems, and that the work of the conference should be linked with the efforts of the United Nations and brought into harmony with the tasks and work of its organs and institutions.

213. The present session will not be able, for lack of time, to consider in greater detail the institutional problems of

the United Nations. However, according to my delegation, it should point out their importance and pave the way towards their settlement. We believe that the proposals of the Group of Experts on the Structure of the United Nations System constitute a serious effort and attempt in that direction. The fact that they have provoked serious polemics only confirms the complexity and considerable importance of the problem of restructuring the United Nations in the economic and social field. We support the proposal that an intergovernmental committee should be established to that effect, with the participation of all countries that desire to take part in its work.

214. We are convinced that the problems with which we are faced have become so acute that their solution cannot be delayed any longer. My delegation considers that the present session should mark a turning point in their settlement. It should adopt conclusions that will make all countries feel confident that the process of negotiation has entered a stage that will yield practical solutions and thus open up new prospects for the further development of all countries.

The meeting rose at 1.45 p.m.