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CONTENTS

	Page
Tribute to the memory of Mr. Franz Jonas, President of the Republic of Austria	1
Agenda item 7: Study of the problems of raw materials and development (continued)	1
Statement by the representative of Austria	16

President: Mr. Leopoldo BENITES (Ecuador).

Tribute to the memory of Mr. Franz Jonas, President of the Republic of Austria

1. The PRESIDENT (*interpretation from Spanish*): Before we begin our work for today, it is my painful duty to inform the Assembly of the death of Mr. Franz Jonas, the President of Austria. The sudden death of the President of the Republic of Austria is a source of sorrow and mourning. Mr. Jonas represented the democratic spirit of his people. He led them through countless struggles and finally achieved the high post he occupied at the time of his death.

2. On behalf of the General Assembly, I request the representative of Austria to be good enough to convey our sincere condolences to his Government and people and to the bereaved family.

3. May I request representatives to stand and observe a minute of silence.

The members of the General Assembly observed a minute of silence.

AGENDA ITEM 7

Study of the problems of raw materials and development (continued)

4. Mr. DORALTA (Chad) (*interpretation from French*): We learned with great sorrow this morning of the sad event that has afflicted Austria. On behalf of my delegation and Government I should like to convey my condolences to the Austrian delegation.

5. Mr. President, I should like to express my great satisfaction at the choice of this forum for the debate on such a crucial question of our day and also to say how gratified we are at your election to the presidency of the special session of the General Assembly on raw materials and development. Without doubt your election is a measure of the confidence already placed in you at the twenty-

eight session of the General Assembly and a recognition of your outstanding qualities.

6. I should also like to congratulate the Secretary-General, Mr. Kurt Waldheim, and his colleagues both for the diligence with which they have prepared for this session and for their devotion to their work in the difficult and thankless tasks they have to perform within the Secretariat of the United Nations.

7. In the face of the marvellous discoveries and advances of science and technology we sometimes feel a miracle is happening—a miracle of human genius, which, after so much groping tirelessly in the dark, has finally conceived machines so powerful that even old philosophical concepts have begun to crumble.

8. Men seem to be on the brink of penetrating the secrets of other worlds. They have invaded realms one had believed to be reserved exclusively for the Creator. They have split the atom. They have defied gravity and made an attempt to master the universe. They have brought about genetic mutations. In a decade, they have achieved results that could not be achieved for thousands of years, while progress in science and technology has considerably increased world production. Precisely at this time of astonishing marvels and vast riches, three quarters of humanity is convulsed by doubt and concern and is languishing in poverty and hunger. What a paradox!

9. Our universe is threatened with catastrophe, and a "rescue operation" is necessary. Such a "rescue operation" is still expected by the vast mass of peoples, which is hungry, thirsty and afraid.

10. On the pretext of improving the situation of the undernourished peoples, those who are prey to despair and disease, the rich Powers have implemented a financial and technical assistance plan for developing countries.

11. In their gullibility, the "have not" peoples have already glimpsed a beginning of that rescue operation in the good intentions and pious declarations of intent so grandiloquently uttered by the technically advanced countries in their assistance programmes. But their disillusionment has been great. Often that aid, according to the calculations of many people, has been reduced to relatively low sums of money and has only been obtainable if it is linked to security conditions. Thus, in certain countries the loans granted have been devoted to the development of the production of primary, strategic and defensive materials.

12. In Africa, in particular, foreign capital is invested not in agricultural countries but in countries possessing strategic minerals. Enormous profits in the billions of dollars have

been accumulated and are exported instead of remaining available to the national economies.

13. According to the calculations of many African States, the assistance granted by the industrialized Powers does not have the objective of contributing to the prosperity of the economy of the assisted countries. Those Powers apply a whole set of economic measures which impose a policy, their own policy, and maintain the peoples who are being assisted under their own pressure.

14. There is no question therefore of the rich countries improving the food situation of the poor peoples by the development of agricultural production and the industrialization of that country, and still less of giving them large-scale industry.

15. With the awakening of the peoples of the third world, the political, economic and military motivations of this kind of co-operation are no longer marked by an eternal night. They have largely been exposed. The scales have fallen from everyone's eyes.

16. The under-developed States have not taken long to understand that their independence was illusory and that they had to struggle even more fiercely against new forms of oppression. That struggle now is going down in history as one of the great objectives of this vast mass of mankind which is hungry, thirsty, sick and deprived.

17. Since they have realized the objective conditions of real independence, those States have refused to be acted upon; hence the organization by them of the African-Asian Conference in Bandung in April 1955, and the first international conference of the peoples of the third world.

18. The Bandung Conference marked the awakening of the peoples of the third world and the retreat of the cultural influences of the West in Asia and Africa, and this awareness was further strengthened in spite of pressure of all kinds.

19. In many countries, particularly in Chad, that fact has been reflected by an intensive cultural revolution predicated upon economic and social progress, the restoration of the cultural awareness of the country, intellectual and moral emancipation, and the struggle against the sequels of imperialism and of colonialism in the search for an authentic identity.

20. On the initiative of Colonel Houari Boumediène, the President of the Council of Ministers of the People's Democratic Republic of Algeria, a dialogue has been begun between the countries of the third world which have now realized their rights and the rich countries which have been using them as mere instruments to be dominated.

21. That initiative, the National Movement for Cultural and Social Revolution, is under the energetic drive given to it by its Secretary-General and founder, our great compatriot N'Garta Tombalbaye, the President of the Republic, and the people of Chad greet it as a manifestation of the will of Algeria to contribute effectively to the acceleration and building of a humanity which would be freer and more just, moving towards progress and well-being.

22. It is time for the politics and the economies of the third world to cease to be in the hands of other people. It is also time that the foreign monopolies cease to put a brake on the upsurge of the third-world countries and to invest it with a unilateral and lop-sided character; those countries have been transformed into mere bases for the production of agricultural products and primary commodities and serve as a strategic reserve.

23. Finally, the primary commodities of those countries have been bought at fixed prices unilaterally set by the industrialized nations. And those nations still fix the cost of the manufactured products exported to the third world. This is a system of exploitation and fraud which cannot any longer be tolerated and against which the struggle must be organized.

24. The present situation of the bulk of the world, that is, the lot of the under-humanity, has left terrible marks. The human creature has been reduced to slavery. That creature is revolting against the misery which overwhelms him and is no longer in the mood to permit some people to possess all the goods and the others to possess nothing.

25. We would still describe the present situation of mankind as a night: a night which must give way to day, in spite of the schemes which make the rich richer while the majority of mankind is proceeding from poverty to wretchedness.

26. The official statistics of the United Nations on this subject give us very serious food for thought and increase our concern even more.

27. Each year we are told 40 million Asians, Africans and Latin Americans die of hunger.

28. In a third-world country, again according to the same data, one child dies every 42 seconds, 85 children every hour and 2,400 every day. In another country, there is one doctor for every 80,000 inhabitants.

29. In the third world there are still 250 million children who do not go to school; 150 million people suffering from malaria; 200 million whose working powers remain unused 100 days a year.

30. Again, in most of the third-world countries, the people, because of unhealthy conditions are afflicted by very serious mass diseases such as tuberculosis, cholera, plague and typhus. Those diseases not only cause a very high death rate but also play a part in hampering economic and social development.

31. In other words, does this mean that the world has now been exhausted to the point that it can no longer support the human race? Not at all. It has rather been recognized that the earth can feed the present population of the world twice over.

32. In fact, the crisis stems from the imbalance existing between the "have" and the "have not" countries, the scandalous injustices and the shameless exploitation of the poor peoples. It stems from the ever-growing distortion of

the relationship between the developed and the developing countries.

33. We are at one of the most dramatic turning-points of history. What are we to do? The technically advanced Powers must give up their selfish ways and concede that other people must follow the road of evolution which seems to them best compatible with their interests. They must bring about just relations in their relationships with the under-developed countries.

34. If man has finally succeeded in splitting the atom, launching himself into space and setting foot on the moon, and setting into orbit around the world or the moon hundreds of satellites, he is also capable of overcoming poverty and ensuring that the whole of the human race enjoys a standard of living compatible with human dignity.

35. But selfishness prevents the creation of a harmonious, co-ordinated civilization, and if we do not take precautions against it, it is liable to lead our generation into a planetary catastrophe.

36. Now, what we want is peace, true peace. Every man of conscience is in duty bound to strive for that. That peace is a collective state of soul born of tranquillity and respect for others and relations of trust. We know that it cannot fall from the heavens ready made. It is a very fragile and infinitely precious plant; it must be cherished; and its growth must be promoted all the time.

37. That peace, in order to be solidly built, must be based upon the reform of certain ways of thought and action and on the suppression of economic and social injustice. Peace is the work of justice, and justice engenders peace.

38. In order to avoid any aggravation of the present malaise the rich Powers must respect the fundamental rights of the poor peoples and agree to the disappearance of the grave injustices involved in the exploitation of man by man. As long as people grow rich at the expense of the poverty of others, they cannot talk of peace or of solidarity or fraternity among themselves and the "have not" peoples.

39. The initiative of the Algerian Republic in bringing about within the United Nations a consultation between the poor and the rich countries in order to bring about a raising of the prices of primary commodities and a readjustment of the terms of trade is in effect a serious offensive in favour of true peace.

40. It is not surprising, therefore, that the Algerian Republic should have made itself the champion of the struggle for the elimination of all injustices we suffer from. In fact, like the Republic of Chad, it is carrying on a profoundly human revolution.

41. At the Fourth Conference of Heads of State or Government of Non-Aligned Countries and also at the Bandung Conference, these people, moved by the feeling of being exploited in the same way by the imperialist Powers, have recognized that they had a common destiny and vital common interests. That community of destiny and interest established among themselves a natural solidarity which, in

our view, should be made concrete by economic, commercial, technical and financial co-operation.

42. Henceforth, in order to wage a victorious struggle, they must form an increasingly compact bloc. They must offer a united front in order to ensure their economic and social security.

43. In Chad the political record shows the disintegration of the neo-colonial system, thanks to the National Movement for Cultural and Social Revolution, a vast movement of renewal which mixes into a single melting-pot Chad citizens of all origins and all conditions of life.

44. Our most ardent wish is that the countries of the third world, condemned to an ever-worsening economic backwardness, to poverty and hunger, should form a solid body and a single soul in order to repel the present system of exploitation and set up a more independent economy.

45. For too long the pillaging of our primary commodities has been a matter of principle. For too long people have been compromising the development of our economy. For too long other people have based their prosperity upon the selfish exploitation of our wealth.

46. Our peoples are also destined to experience happiness. They are exhausted, fatigued, and they have been cheated at will. They have the right, in the field of trade, to demand now a cessation of this disparity which operates to the detriment of the third world. This is justice. Otherwise, the sources of conflicts will be multiplied and peace will be ever more difficult to attain and will be always threatened.

47. What our peoples want is justice in the relations between the "have" and the "have not" countries, justice in commercial relations.

48. Chad, a pastoral and agricultural country, situated more than 1500 kilometres from any seaport, does not suffer only from the two evils inherent in the grave economic imbalance in the relations between it and the developed countries, an imbalance which has contributed to making it one of the poorest countries in the world. Apart from the fact that it is an enclave and is poverty-stricken, it is today the victim of an insidious natural catastrophe which has led its development to the point of collapse. It goes without saying that here, as elsewhere, urgent measures are necessary. Within this context we obviously support any helpful proposals made by representatives who have spoken previously from this rostrum, particularly with regard to the establishment of a new equitable economic order and the immediate implementation of a programme for the benefit of the most deprived countries which have to face natural catastrophes.

49. The head of the Catholic Church, Pope Paul VI, expressing the world's cry of hunger, suggested before we did that a dialogue should take place between the industrialized countries and the poorer countries with a view to establishing voluntary co-operation and the effective participation of all, in equal dignity, for the building of a more human world.

50. At the time of his masterly statement from the rostrum of this meeting, President Boumediène concluded by saying:

"If the debates and decisions of this Assembly could give us the hope of attaining such a result, then the development of the peoples of the third world and the victories to be won against poverty, disease, illiteracy and insecurity will not be the revenge of the poorer countries over the wealthier countries, but a victory for all mankind." [2208th meeting, para. 152.]

51. We hope—and this is the brunt of our message—that all these human appeals will finally be heeded. We hope that, on the basis of this conference, a dialogue based on respect for the sovereignty of peoples and equity will be established, without further delay, between the industrialized countries which produce capital goods and the poor countries which produce primary commodities. The future of humanity depends upon this.

52. Mr. BAZAN (Chile) (*interpretation from Spanish*): Mr. President, first I wish to say that my delegation was deeply moved at the sad news of the untimely death of Mr. Franz Jonas, the President of Austria. He was a head of State who led his people wisely and far-sightedly during its times of tribulation. We address our sincere condolences to the noble Austrian people and to the distinguished delegation which so worthily represents it in the Assembly.

53. Mr. President, your election to preside over this special session of the General Assembly is, as we see it, a twofold acknowledgement. Your eminent person has been recognized and acknowledged as representing the interests of Latin America and all the countries of the third world to promote a new and more just international economic order, and at the same time your own qualifications of wisdom, equanimity and integrity have been acknowledged and will doubtless make our work fruitful. Therefore, for these two reasons, Mr. President, we sincerely congratulate you on behalf of the delegation of Chile.

54. There is another eminent person who must be mentioned in this context and that is President Boumediène, thanks to whose brilliant and timely initiative this special session of the General Assembly was convened. I shall not ungenerously refrain from mentioning his name because he spoke unjustly and mistakenly about my country. I am sure that when he learns the truth he will be gentleman enough to correct his statement. Chile hastened to support his initiative and we are grateful for it.

55. We hastened to support that initiative for a number of reasons: first of all, because we are a country of the third world; secondly, because we are a non-aligned nation and we unalterably maintain our adherence to the principles and objectives of non-alignment; thirdly, because, without prejudging ideologies or political systems, Chile has always taken a leading position in the defence of the interests of the developing nations, a position which we must reaffirm at the present session.

56. This session is important not only because it has been convened at a critical moment, but also because it will be

the taking-off point for the complex and imperative tasks of creating a new international economic order.

57. We see this task not as a confrontation, but as a continuing effort to maintain the dialogue and ensure mutual understanding among the industrialized and the developing nations. This task presupposes a desire to co-operate and the will to find formulas of conciliation between opposing interests. It is a universal task which, for that same reason, must be tackled universally. That is, by the organ that best represents the entire international community, the United Nations.

58. The great undertaking that we have assumed compels us to study existing plans of action, such as the International Development Strategy, and to adopt the new international instruments that may be required to supplement them. Among these the most urgent and imperative, my delegation believes, is a treaty to modernize the law of the sea in keeping with the claims of the developing nations. I shall go into greater detail on this question at a later stage. We must also promptly adopt the Charter of Economic Rights and Duties of States, an initiative that Chile fully supports and hopes that it will be a reality before the end of this year.

59. The international community is facing a wide spectrum of economic and social problems flowing from under-development which cannot be solved unless there is a political will to solve them. That political will must be made obvious through concrete acts by those countries which are in a position to transform the international economic order. This will call for grappling with the existing imbalances, not by mere palliatives but by going to the very root of the problem.

60. At the root of the problem lies the unjust machinery that today sets the prices for raw materials and manufactured goods. Side by side with the chronic lack of stability on the world market for raw materials, there is in our day a constant increase in the price of manufactured goods. If to this is added the increasing cost of maritime freight and other services, it has to be agreed that for the developing nations the situation becomes increasingly dramatic daily. With regard to this problem, my delegation supports the initiative of Jamaica¹ to set up a system of price indexes that can ensure the maintenance of a just parity between the prices of materials coming from the industrialized nations and the corresponding income flowing from exports of the developing nations.

61. The so-called energy crisis shook the world community. It was like an alarm, since it has forced both the industrialized and the developing countries to take note of the urgent need to change the existing systems in the field of raw materials. For those developing countries that do not produce petroleum, the crisis has had a most negative effect and we trust that the good-will shown by the petroleum-producing countries when proposing a series of compensatory measures will to a large extent lessen the effect of this sudden rise in prices.

¹ See *Official Records of the General Assembly, Twenty-eighth Session, Plenary Meetings*, 2150th meeting.

62. An interesting study on the effects of variations in prices, both recent and projected, on the trade of the developing nations prepared by the secretariat of the United Nations Conference on Trade and Development [UNCTAD] describes the drama that the fluctuation of prices spells for those countries. This study shows that the fluctuation in 1973 in the terms of trade of the 87 countries included in the study resulted in a 7 per cent improvement over 1972. The comparison of those two years might appear encouraging, but in the wider context, however, this index reveals that in 1973 the developing countries were at the same levels with respect to the terms of trade as they were in 1969 and 1970, and those levels were below those of 1950 and 1960, which were also unsatisfactory.

63. The projections for 1974 show that the developing countries, with the sole exception of the petroleum-exporting countries, will continue this downward curve and very probably will suffer an additional 10 per cent loss. With respect to Latin America, the loss in our terms of trade could this year amount to 12 per cent, and for Asian countries it could be as high as 19 per cent. This means that the developed countries will have passed to the developing countries a great part, if not all, of the most onerous costs to them of the present economic situation of the world.

64. In the specific case of Chile, it must be understood that the downward curve of our balance of payments in 1973 will be felt even more in 1974 because of the greater costs paid out for imports. It is true that copper production has increased considerably during the last few months and that its price has risen to an average of 110 cents per pound, which shows an important profit over last year's income. However, this profit will be absorbed by the increasing costs of raw materials and manufactured goods, which has made the production of copper more expensive, as well as by meeting all the needs of the country. While the prices of copper have increased by 60 per cent, the cost of petroleum has increased by 400 per cent and the cost of wheat by 200 per cent. It is felt that the greatest cost of our imports of manufactured goods and raw materials in 1974 will rise to \$400 million. Thus, if Chile were to obtain net benefits this year compared to earlier years, this income would be derived from the increase in the production of copper projected for 1974, namely, from our own domestic efforts, and would not be due to the relative fluctuations of prices.

65. Confronted by situations such as those that I have described, it is natural that the Government of Chile today more than ever should unhesitatingly support the principles and purposes of the Intergovernmental Council of Copper Exporting Countries [CIPEC]. When reaffirming the traditional position of my country in CIPEC, we do so in full knowledge of the fact that recent increases in the price of copper, however outstanding they may appear, are far from being sufficient to compensate us for the enormous sacrifices that we had to make when the prices were arbitrarily set for us. Thus, we consider it imperative to strengthen and co-ordinate the policies of the Member States of CIPEC. Chile is determined to support common action along this line in order to forestall any speculative intentions regarding the price of copper.

66. We see CIPEC as one of the organs defending the interests of the four main copper exporting countries—but not in an aggressive way, as some might imagine, since we are aware of the need to harmonize our desires with those of the consumer countries. In order to defend our interests, we are guided solely by the legitimate desire to recover for our people the results of our efforts and to avoid having them taken away from us arbitrarily by foreign speculative manoeuvres. That has been the line of conduct of Chile since CIPEC was first created, and in that we enjoyed a fruitful co-operation with Peru, Zambia and Zaire.

67. With respect to the developing countries, specific importance must be attached to the principle of permanent sovereignty over natural resources on the land, in the sea and its subsoil, and the sea-bed, and also the right of States freely and in the full exercise of their sovereignty to dispose of their natural resources as they see fit. This implicitly carries with it the right to nationalize. We support without restriction the agreements and resolutions approved within the United Nations and regional and subregional organs of Latin America on this important question of nationalization.

68. Chile has adjusted, is adjusting and will continue to adjust its conduct in keeping with these principles. By virtue of the national consensus expressed in legislation adopted unanimously in 1971, we nationalized the great copper resources existing in our country. These resources have not been returned to their earlier owners and they will not be returned.

69. Neither external financing nor domestic savings would suffice to spur the economy without an efficient and modern technology adapted to the needs of each developing country. Technology should not create dependency; it should be up to date, it should enrich the scientific assets of a nation and not be a mere transplant of foreign experiences or obsolete.

70. As the Foreign Ministers of Latin America recently meeting in Mexico² stated, we also feel that in order to fulfil their development plans countries must not only import foreign technology, but must also create their own, one that will be in keeping with the local needs and that will allow effective progress in the fields of industry, education, housing and agriculture.

71. We are gratified that the programme of action prepared by the Group of 77³ does in fact contain a paragraph wholly devoted to this matter and we are convinced that the present special session of the General Assembly will endorse those recommendations.

72. Along this same line of reasoning, we contend that the problems of raw materials and development must be tackled by the countries concerned in a joint and common effort. We have ample reason to call for foreign co-operation, but if it is delayed or insufficient we should still not be discouraged. On the contrary, it will only be another reason for the countries producing the same product to

² Conference of Foreign Ministers of the Americas, held in Mexico City from 18 to 23 February 1974.

³ See document A/AC.166/L.48.

organize, co-ordinate their efforts and with a single voice express their just aspirations. It is not a question of implanting monopolistic practices of spoliation, which are odious to all, but it is a question of acquiring a respectable negotiating force that will ensure that our rights will be heard. Division is the worst enemy of our good cause.

73. There are, however, some factors which have a negative effect on the efforts that we are endeavouring to make in the developing nations.

74. One of these factors is the illicit activities of the transnational corporations, which are a source of deep concern to the international community and which must be prevented. Because of the size of their resources, we believe, the transnational corporations could for the developing countries spell a useful contribution, so long as their avidity for gain is subjected to certain basic norms of morality. If a transnational company ignores the legitimate interests of the country in which it is located, if it violates the local legal institutions, if it allows its monopolistic interests to lead it astray and if it interferes in the domestic affairs of the host country, it is obvious that that multinational corporation will become an upsetting element for the freedom, domestic tranquillity and institutional stability of the developing country.

75. A great step towards a solution of this problem was taken with the creation of a group of eminent persons to study it.⁴ That Group's work has been positive, and we trust that it will allow us very soon to have a code of conduct governing the actions of multinational corporations.

76. Another negative factor bearing on the efforts of the developing countries is foreign intervention.

77. President Boumediène in his key-note statement at this session of the General Assembly session [2208th meeting] said that in order to consolidate the new international order certain basic principles must be fully put into effect and he mentioned specifically non-intervention by one State or group of States in the domestic affairs of others, the renunciation of any hegemonic ideas and the ensuring of the self-determination of peoples.

78. It is perfectly understandable that the Head of State of Algeria should have used such words, since he does represent an independent Government and a people that has dauntlessly struggled to achieve freedom. Because in Chile we respect and are imbued by the same principles of nationalism and of liberty and because our people have always fought for them, we contend that, regarding the principles of non-intervention and self-determination, it is indispensable that they be fulfilled in order to ensure a calm and effective implementation of development plans. Foreign intervention introduces into the domestic affairs of countries an element that disturbs peace, divides and antagonizes the national population, makes creative energies destructive, sterilizes programmes for economic and social development by subjecting them to outside interests, and upsets the entire national effort.

79. Finally, I should like to refer in greater detail to the contribution that we believe the new law of the sea can make to the solutions of problems of raw materials and development as the delegation of Chile sees them.

80. In the great enterprise to combine efforts and resources to speed up the development of the less developed countries today the international community is being given an exceptional chance that will test the spirit of co-operation of all, particularly of the more advanced nations. That possibility was created by technological progress, which in the past few years has opened up new horizons for mankind: namely, the sea-bed and ocean floor, which cover almost three quarters of the planet and now have become exploitable areas. At the same time the progress of science has made it possible to exploit new living resources and ensure a better use of those that were being exploited in the past.

81. Thus today the oceans have acquired an increasing interest for mankind and may well offer us the means of giving a vigorous impetus to meeting the just aspirations for progress of the developing countries. However, neither the creation of new styles to govern international trade, nor the encouragement of investments, nor the liberalization of financing nor the accelerated transfer of technology can provide the economic resources that the ocean floor could supply the developing countries to speed up their industrialization.

82. With regard to the renewable and non-renewable wealth that either exists or may exist in the oceans, the United Nations should at least conclude the definition and implementation of two key ideas on which work has been done in the past seven years. These two key ideas are: first, that coastal States should exercise in their adjacent seas full sovereignty over such resources as a necessary projection of their territorial sovereignty; and, secondly, that the sea-bed beyond national jurisdiction is the common heritage of mankind and should be utilized particularly to help the developing countries to progress.

83. The weight of archaic legal concepts thus far has been used to move the countries that have advanced fishing technology to insist on the principle that the freedom of the seas allowed them to continue their mass fishing of the living resources in the seas adjacent to the coasts of the developing countries; but this contention today can no longer be upheld by the developed nations, since they base it on legal principles that were prepared for other circumstances and, therefore, are invalid for meeting the present reality, and because they lead to an inadmissible ethical contradiction, namely, that, on the one hand, they offer to co-operate in the development of the backward countries but, on the other hand, they deny them the food resources that the developing nations need for their populations and which doubtless belong to them, since nature placed them within their reach.

84. With regard to the sea-bed beyond national jurisdiction, both legal and ethical reasons press not only for adherence to the principle that they are the common heritage of mankind but also for compliance with all the practical consequences flowing from that principle, making it easier to adopt operative standards that will permit the

⁴ Group of Eminent Persons to Study the Impact of Multinational Corporations on Development and on International Relations.

developing countries to use for their development the resources that that heritage may supply. If the legal notion of the common heritage of mankind proclaimed at the twenty-fifth session of the General Assembly [*resolution 2749 (XXV)*] is expressed in terms of a treaty creating a significant international régime and if there is an agency or international machinery with sufficient power to govern it, we shall then, for mankind as a whole and particularly for the developing countries, have started on the most notable stage of international co-operation that history has ever registered.

85. There is petroleum in the sea-beds, primarily in the geomorphological continental shelves. There are also many hard minerals in the abyssal depths, in the form of nodules of manganese. In this aspect of international co-operation it is imperative that the exploitation of these resources in the sea-bed should in no way affect the exploitation of similar products being carried out on land by the developing countries. The United Nations has already pointed this out in resolutions 2749 (XXV) and 2750 (XXV) of the General Assembly, and it was also stressed at the third session of UNCTAD and furthermore stressed in a number of documents prepared by the Secretariat of the United Nations and that of UNCTAD. And thus the régime to be set up must take into account the provisions to be implemented by the international agency, ensuring that the negative effect created by new exploitations be minimized to the utmost.

86. The spirit of co-operation with the developing countries which has been expressed so spontaneously and laudably during the special session of the General Assembly by the main spokesmen of the highly industrialized nations leads us to believe that they will support the two key ideas that I outlined earlier, both in whatever agreements we may adopt in the Assembly and at the Third United Nations Conference on the Law of the Sea, to be held in Caracas in two months.

87. The industrialized nations very frequently seem reluctant to liberalize the supply of their own resources in order to facilitate the progress of the developing countries. But, from a realistic standpoint, we must admit that although we have many reasons to call for greater assistance the countries possessing the capital also adduce their arguments to use that capital first for their own benefit.

88. However, the circumstance that we are taking up the law of the sea today places this question in a different context. It will allow the developed countries to help the developing nations without sacrificing anything in their own heritage. They will not have to yield anything that they have obtained through their own efforts. Calm consideration of the justice of our claims and the gravity of their responsibilities will doubtless in this case make the stand of the developed countries more flexible. They will have to bow to the weight of the evidence that giving their practical support and helping the implementation of the two key ideas to which I have referred before will mean that they will give up the hope of continuing or beginning to exploit in an unhampered and unfettered way resources that do not belong to them. The developed countries, I am sure, will not lose this opportunity to show their spirit of co-operation and to serve the co-ordinated progress of the

international community merely by renouncing a claim to what does not belong to them.

89. Thus my delegation believes that at the forthcoming Conference on the Law of the Sea, when the echo of agreements arrived at in this special session of the General Assembly will still be heard, the developed nations will proceed to the drafting of a treaty to govern the international régime for the sea-bed and the ocean floor within the terms outlined by the developing nations.

90. Chile participated in the lengthy negotiation that is now reaching the crucial moment of final decisions. We were the first country to define the principle of sovereignty of coastal States over the resources lying in their adjacent seas. We contributed to the elaboration of the concept of the common heritage of mankind; we helped in the drafting of resolutions governing sovereignty over natural resources which culminated in the so-called principle XI of UNCTAD resolution 46 (III);⁵ and, generally speaking, we contributed also to the progressive evolution of this subject which has also had the significant and constant support of all the developing nations.

91. The debates of this special session of the General Assembly have further strengthened our conviction that the problems of raw materials and development can, to a large extent, be solved through an updating of the law of the sea to which we aspire. It is for this reason that the Chilean delegation considers that this session of the General Assembly must come up with agreements that, while confirming the political will to encourage satisfaction of the just aspirations of the developing nations, will carry in them the promised acceptance by the developed nations of the key ideas to be discussed in Caracas.

92. In the eyes of the Chilean delegation this will doubtless be one of the most outstanding results that this special session of the General Assembly can leave us with.

93. Mr. GURINOVICH (Byelorussian Soviet Socialist Republic) (*translation from Russian*): In connexion with the death of the President of Austria, the Byelorussian delegation would like to express deep sympathy to the Austrian delegation on the occasion of this sad loss.

94. Mr. President, we should like to repeat the congratulations we expressed to you at the last session of the General Assembly.

95. The Byelorussian SSR supported the proposal by Algeria to convene a special session of the United Nations General Assembly to study the problems of raw materials and development [*A/9541*] because the United Nations is the most suitable forum for consideration of the most urgent problems of international co-operation in the interests of peace and security and the economic and social progress of all peoples. Experience had shown that consideration of these questions in closed groups or bodies which are not universal and representative does not ensure the solution of urgent problems in the interests of all peoples.

⁵ See *Proceedings of the United Nations Conference on Trade and Development, Third Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No.: E.73.II.D.4), annex I.A.

96. The very convening of this session has been made possible by the continuing process of relaxation of international tension, the ever-growing confirmation of the principles of peaceful coexistence of States with different social systems in the practice of international relations, and the strengthening of the position of all anti-imperialist forces. This is primarily a result of the active, assertive peace-loving foreign policy of the Soviet Union and other States, of the socialist community and the successful implementation of the programme of peace approved by the Twenty-fourth Congress of the Communist Party of the Soviet Union. The non-aligned States and peoples of all countries are making a significant contribution to the positive changes occurring on the international scene, as other speakers have pointed out at some length.

97. In the appeal of the World Congress of Peace Forces, which was held in Moscow in October 1973 and was attended by representatives of 143 countries, the peoples of the world demanded "the adoption and implementation of the principles of peaceful coexistence based on international security and mutually beneficial co-operation among countries in all spheres, on respect for territorial integrity, national independence, sovereignty, equality of all States, non-interference in domestic affairs and renunciation of the threat or use of force" and "the right of all peoples to own and dispose of their national resources and carry out social and economic changes as they see fit".

98. We are all in duty bound to heed the will of the peoples, which are demanding peace and social justice. The favourable changes now taking place in the world make it possible for the developing countries to confront and solve problems in ways that will strengthen their independence and promote economic and social progress. The time has now passed when a people striving for political and economic independence could be brought to its knees by a gunboat or an economic blockade. To ensure that these things do not return, however, the United Nations must multiply its efforts to strengthen international peace and security; in particular, it must give binding force to its decision adopted at the twenty-seventh session of the General Assembly, on the joint proposal of the socialist and non-aligned States, regarding the non-use of force in international relations and the permanent prohibition of the use of nuclear weapons [*resolution 2936 (XXVII)*], and it must implement its decisions on the strengthening of international security, decolonization, the struggle against racism and other questions.

99. The Byelorussian delegation considers that the documents adopted at the sixth special session of the United Nations General Assembly should in the first instance reaffirm what has already been approved at the twenty-eighth session of the Assembly, i.e. they should clearly and precisely state that peace and security are necessary prerequisites for social and economic progress, that the extension of détente to every part of the world would enable all countries, regardless of their social and economic systems or level of development, to derive benefits from this process, that it is necessary to achieve general and complete disarmament, and that the resources released by effective measures of actual disarmament should be used to promote the economic and social development of all countries, including the developing ones. This will also

contribute to successes in the anti-colonial, anti-imperialist struggle of peoples.

100. Disarmament is of particular importance to development. We fully agree with the Secretary-General of the United Nations, who noted on 9 April that "the imperative need for substantial disarmament becomes more urgent as each day passes" [*2207th meeting, para. 46*]. It is now particularly important to undertake combined efforts to implement the resolution adopted on the proposal of the Soviet Union at the twenty-eighth session of the General Assembly concerning the reduction of the military budgets of States permanent members of the Security Council by 10 per cent and utilization of part of the funds thus saved to provide assistance to developing countries [*resolution 3093 (XXVIII)*]. This resolution was adopted by an overwhelming majority. It received the votes of the developing countries. Thus, it represents their position and their desire. All the permanent members of the Security Council, and particularly those which until now have been blocking the implementation of this decision, must take that fact into account. We urge them to take practical action, because their delegations have officially stated at this session of the General Assembly that they intend to provide assistance to the developing countries. The implementation of this resolution would release substantial funds in those countries which carried out a reduction of military budgets and would make roughly an additional \$1,500 million available for use by the United Nations to meet the needs of the developing countries. And those countries have many urgent needs. It has been repeatedly pointed out here that there are 800 million illiterates in the developing countries, that nearly 1,000 million people are suffering from hunger and malnutrition, and that 900 million people have a daily income of less than 30 United States cents—the cost of a cup of tea in the United Nations cafeteria.

101. The present discussion shows that States Members of the United Nations are seriously concerned at this situation and wish to establish equitable and mutually beneficial economic, commercial, scientific and technical co-operation among all countries, regardless of their social and economic systems and levels of development, in conditions of peace and peaceful coexistence among States with different social systems.

102. This Assembly has also witnessed the demagogic tactics resorted to by one or two delegations in an effort to divert the General Assembly from discussion of the problems which are our reason for being here and to conceal with all manner of slander and fabrications the unconstructive nature and unsoundness of their position. It is significant that in the general debate now coming to an end the developing countries have in effect condemned this position and have expressed the view that all anti-imperialist and peace-loving forces should join efforts to formulate and implement specific measures aimed at strengthening peace and promoting comprehensive co-operation to achieve economic and social progress for all peoples.

103. In their statements at the sixth special session of the General Assembly, the representatives of the socialist and developing countries have spotlighted the basic reasons for the unequal position of the developing countries in inter-

national economic relations and for the difficulties they face. Those countries' plight is a result of many years of colonial domination and of the pernicious activities of the multinational corporations, which are prepared to commit any crime—including the overthrow of progressive Governments, as in Chile—in order to obtain super-profits and maintain their privileged position in economic and commercial relations with the developing countries. It is a result of insolent violations of the sovereign right of every State freely to dispose of its natural resources. It is a result of continued discrimination in international economic and commercial relations. It is a result of failure to observe the principles of equal rights and mutual benefit, of the refusal of some countries to be guided by the most-favoured-nation principle in international trade. It is a result of the unwillingness of the colonial Powers to return to the peoples of the developing countries the riches and resources that have been taken from them. It is a result of the continuing withdrawal of funds from the developing countries in the form of profits, inequitable prices in international trade, high interest on loans and other forms of despoilment of the peoples of Asia, Africa and Latin America.

104. The Fourth Conference of Heads of State or Government of Non-Aligned Countries quite rightly stated in its economic declaration that "imperialism is still the greatest obstacle to the emancipation and progress of the developing countries" and that it "not only hampers the economic and social progress of developing countries but also adopts an aggressive attitude towards those who oppose its plans, trying to impose upon them political, social and economic structures which encourage alien domination, dependence and neo-colonialism".⁶

105. It is a well-known fact that the developing countries are shackled by debts totalling more than \$80,000 million. Most of these countries are at present obliged to return to the developed capitalist countries payments on principal and interest exceeding the inflow of new foreign funds; \$8,000-\$9,000 million—money needed for their development—is extracted each year from the economies of the developing countries and transferred to the developed capitalist countries. And this is not the only way in which the developing countries are being plundered. According to a report in the Iranian newspaper *Kayhan* on 27 January 1974, the industrial countries of the West appropriated approximately \$9,000 million in 1973 for so-called "assistance" to the developing countries. In the same year, they received a net profit of almost \$26,000 million from trade with the countries which receive this "assistance". It follows that the Western countries extracted from the economies of the developing countries by this means alone three times as much as they invested in them. It is easy to see that this is not assistance but strangulation—a point which has been cogently made by many speakers here.

106. The profits thus earned are one of the sources of financing for the arms race and of funds for supporting racist and reactionary régimes and striking blows at the national liberation movement.

107. Accordingly, a question quite naturally arises, Are the new promises of so-called "assistance" being made by

the representatives of a number of developed capitalist countries from this rostrum not the manifestation of a desire to perpetuate the enslavement of the developing countries? This purpose is also served by the proposals to create various funds controlled by the International Bank for Reconstruction and Development, the International Monetary Fund and other bodies in which everything is decided by a small group of developed capitalist States in their own interests and to the detriment of the developing countries.

108. As has been correctly pointed out here, the share of the developing countries in world trade is diminishing—and this is happening at a time when the physical volume and value of the flow of goods into and from the developing countries is constantly increasing. The point is, however, that this is not trade of the developing countries themselves but imports of equipment for foreign enterprises located in the territory of developing countries or exports of raw materials, semi-manufactures and finished goods by international monopolies which control the production and sales of the goods produced by them through exploitation of the commodity and human resources of the developing countries.

109. The average terms of trade between primary commodity prices and manufactures declined by approximately a fourth during the 1950s and by nearly another 10 per cent during the 1960s, as is pointed out in the note by the Secretary-General entitled "Evolution of basic commodity prices since 1950"; despite the rise in commodity prices since 1970, the terms of trade "were virtually unchanged in the fourth quarter of 1973 as compared to the average for 1950" [*A/9544 and Corr.1, para. 5*].

110. These data show that, while trying to soothe the young independent States with their talk of assistance and co-operation, the Western countries have essentially maintained the dominant position which they held in the world market before the active process of decolonization began.

111. The same situation obtains in matters relating to the extraction and sale of oil. As far back as 1955, it was stated in a study by the United Nations Economic Commission for Europe that "the lion's share of crude oil production and refining throughout the world is in the hands of eight major companies—five American and three European—most of which have interests in each of the main producing and refining centres".⁷ The same document states that these monopolies control the transportation of oil and determine prices, which do not reflect economic considerations but are "in effect, determined by administrative decision".⁸ That study notes that "a disproportionate amount of oil company profits is derived at the crude-oil production stage".⁹

112. Today, almost 20 years later, we are speaking about the very same thing at a session of the General Assembly. The only change is that now the same oil monopolies, by jacking up prices, make about \$9,000 million a year in

⁷ See "The price of oil in Western Europe: prepared by the Secretariat, Economic Commission for Europe" (E/ECE/205), p. 8.

⁸ *Ibid.*, p. 21.

⁹ *Ibid.*, p. 38.

⁶ See document A/9330 and Corr.1, p. 58.

profits, which went up by almost 1.8 times in 1973 alone. And as was pointed out in the statement by the Iranian Minister of Finance: "For every dollar paid by the consumer for oil, only 9 per cent reached the producer and the rest went mainly to the oil companies and to the Governments of oil-importing countries in the form of taxation" [2209th meeting, para. 239].

113. One could go on endlessly citing data on the predatory activities of the monopolies of the developed capitalist countries—both multinational and national, large and small. However, the facts I have already mentioned attest sufficiently to the need for effective action to establish and maintain equitable economic and commercial relations among all States.

114. We understand and support the desire of the developing countries to put an end to the unequal situation existing within the system of capitalist relationships. Many developing countries are with good reason undertaking progressive social and economic reforms, establishing State control over key branches of the economy, partially or completely nationalizing the property of foreign monopolies and taking measures to mobilize their domestic resources for the solution of urgent economic and social problems.

115. The United Nations is in duty bound to help the developing countries to become full and equal participants in international economic and commercial relations and to benefit from the international division of labour on the basis of equality and mutual advantage in order to ensure accelerated economic growth. The efforts of all States—particularly the developing countries themselves—are required for that purpose, for the ultimate responsibility for social and economic development rests with the given country itself.

116. This discussion has revealed different approaches to the solution of this problem. Certain delegations suggest that the underlying issues of development should not be dealt with and that it is sufficient for the existing capitalist system to be slightly prettied up. They suggest that the problems of development should be solved only within the framework of the private-enterprise market economy and trade. However, the experience of our own development and that of other socialist countries has shown that such an approach will not eliminate the basic factors which engendered and underlie the current difficulties. It is utterly intolerable for the developing countries to be subjected to direct threats or intimidated with statements to the effect that any change in the existing unequal and discriminatory situation will tend to slow down the economic activities of the developed capitalist countries, which will in turn result in reduced aid and, in general, a virtual disaster for the developing countries. An effort is made to instill fear with the word "crisis", but nothing is said about the fact that crises of various kinds have occurred before and that every crisis in a developed capitalist country is an outgrowth of the capitalist system of production itself and of the contradiction between the public nature of production and the private capitalist manner in which the product is absorbed, that it is caused by the impossibility under capitalism of utilizing resources in a purposeful, planned manner for the needs of public production and by the

inability of capitalism to carry out balanced development. Certain speakers stubbornly refuse to recognize the fact that equal, mutually beneficial co-operation among all States, regardless of their social and economic systems and levels of development, helps to alleviate crisis situations and is in the economic interests of the developing countries.

117. Thus, the only correct approach is that which calls for normalization of the entire sphere of economic and trade relations and not only of the market-economy sector. The decisions of the special session should provide for measures to prevent discrimination based on differences between social and economic systems, unconditional respect for the sovereign right of every State freely to dispose of its natural resources, observance of the most-favoured-nation principle in international trade and the provision of assistance to the developing countries without political, military or other conditions that infringe on their independence and sovereignty.

118. In addition, measures should be provided for and implemented which will safeguard the vital interests of the working people of the developing countries through far-reaching social and economic changes, the strengthening of the State and co-operative sector of the economy and the creation of vitally needed sectors of the national economy, while at the same time the activities of foreign capital should be terminated or at least strictly controlled so that they are fully geared to national plans for the economic development of the developing countries and not to the extraction of profits from them. It goes without saying that this will involve the abolition of all unequal economic obligations imposed on the developing countries during the period of colonial rule and afterwards.

119. All these and other measures were proposed in the joint document submitted at the twenty-seventh session of the General Assembly by the socialist States, including the Byelorussian SSR, on the formulation and adoption by the United Nations of a Declaration by the United Nations on promotion of the development of equitable co-operation in economic, trade, scientific and technological matters.¹⁰ Specific proposals on these questions by the socialist countries, including the Byelorussian SSR, were also contained in their joint declarations at the twenty-fifth¹¹ and twenty-eighth sessions¹² of the General Assembly and in the declaration of the socialist countries at the third session of UNCTAD.¹³

120. Quite a number of progressive provisions concerning the questions now under discussion at this session have been worked out and approved by various United Nations bodies, including the first session of UNCTAD. It is therefore extremely important to make full use of those progressive principles and to take steps towards their

¹⁰ See *Official Records of the General Assembly, Twenty-seventh Session, Annexes*, agenda item 12, document A/8903, para. 38.

¹¹ *Ibid.*, *Twenty-fifth Session, Annexes*, agenda item 42, document A/8074.

¹² *Ibid.*, *Twenty-eighth Session Annexes*, agenda item 46, document A/9389.

¹³ See *Proceedings of the United Nations Conference on Trade and Development, Third Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No.: E.73.II.D.4), annex VIII.G.

implementation by all States. It is the duty of the General Assembly not to depart from the progressive principles that have been achieved but to strengthen and develop them. I should like to remind representatives that, together with those of the fraternal socialist States, the delegation of the Byelorussian SSR has made its contribution to the declaration of a number of fundamental provisions. On our proposal, the United Nations called for increasing the share of the developing countries in the profits earned by foreign investors in those countries. Among the many decisions which the Byelorussian delegation initiated was that taken with regard to the need for the developing countries to control the activities of foreign capital and the need to undertake progressive tax reforms, including reforms affecting foreign investors, so as to ensure an equitable distribution of national income and attract funds for the developing countries.

121. While giving practical effect to a broad programme of co-operation with the developing countries, the socialist States cannot agree with attempts to take a uniform approach in any sense towards the socialist and the developed capitalist countries. To do so means seeking to consign to oblivion the whole historical stage of colonial domination and exploitation as well as the real responsibility of the colonial Powers for the present economic plight of the developing countries and the policy of neo-colonialism being pursued against them as a form of economic oppression.

122. As was pointed out by the General Secretary of the Central Committee of the Communist Party of the Soviet Union, Comrade L. I. Brezhnev, "unlike the colonial Powers, we have not created our prosperity by exploiting other peoples. Everything that has been done by us has been done through the selfless efforts of the Soviet people themselves".

123. Thanks to the socialist system, we have seen to it that neither an energy crisis nor a monetary crisis is a threat to us, and the economy is developing according to plan at a high rate of growth. A powerful industry and a highly developed agriculture have been created by the work of the Byelorussian people with the assistance of all the peoples of the Soviet Union. The exploitation of man by man, poverty, oppression of all kinds, inequality and discrimination have disappeared for ever from the life of our society. The land and its mineral resources, the factories and the farms—all these, in our country, belong to the people and cannot be used against their interests.

124. A little more than a half-century ago, before the Great October Socialist Revolution, Byelorussia was one of the backward regions of the Russian Empire. Eighty per cent of its population was illiterate, and *per capita* income was lower than that in most developing countries today. At the present time, industrial production in Byelorussia is almost 140 times as great as it was in 1913 and 17 times as great as in the prewar year 1940. Our people's standard of living has been rising steadily as a result of the growth of the economy. And all that has been achieved despite the fact that roughly one third of our post-revolutionary period was lost because of the wars imposed upon us by imperialism and the need to rehabilitate the ruined economy.

125. Goods manufactured in the Byelorussian SSR are exported to more than 80 countries. They include tractors, combines, trucks, computers, automated assembly lines, machine tools, radios, electrical energy and oil products.

126. The States of the socialist community base their commercial and economic relations with the developing countries on the progressive principles of respect for sovereignty, non-interference in domestic affairs and mutual benefit. They regard as one of the most important tasks of their international policy the provision of assistance and support to the developing countries in the building of their national economies and in the protection of their freedom and independence against the neo-colonialist encroachments of imperialism. They support the determination of the developing countries to do everything in their power to carry out progressive reforms of their economic and social structures and to mobilize their resources fully for national economic development. It is quite natural that the developing countries should in their relations with the socialist States offer favourable terms and at the very least grant them the same régime that they grant to a number of developed capitalist countries.

127. It is important to note that the commercial and economic relations of the socialist States with the developing countries are shaped with due regard for the long-term development prospects of those countries and to an increasing extent are assuming the character of a stable, mutually advantageous division of labour which will ensure maximum benefits for all those participating in international trade on the basis of the fullest possible exploitation of the specific favourable factors of production existing in every country as well as consolidation of the economic independence of those countries, acceleration of their economic growth and development of their foreign economic relations. The Byelorussian SSR, together with the other States of the socialist community, is prepared to do everything it can to support just and reasonable proposals put forward by the developing countries with a view to establishing and maintaining equitable conditions in international economic relations.

128. There is no question that the important documents being drafted in the *Ad Hoc* Committee at this session of the General Assembly will prove beneficial only if the crucial international political problems whose solution will promote the attainment of the goals of economic and social progress are reflected in them. The declaration now being drafted should therefore call for further normalization of the international situation, the strengthening of détente so as to make it irreversible, and the development of relations on the basis of the principles of peaceful coexistence, with emphasis on the need to halt the arms race and carry out disarmament. Concern for peace and equitable co-operation in the solution of international problems in the interests of peoples is the duty of all States, both large and small and without regard to their social and political systems and level of development. If peace and the further strengthening of international détente are not secured, if brakes are not applied to the spending of more than \$220,000 million every year on the arms race, even the most perfect decisions adopted at this session of the General Assembly will prove to be incapable of implementation.

129. The proposals which we have set out are fully in accord with the United Nations Charter, the fundamental course taken by our foreign policy and the nature of the socialist system. Throughout the years of the existence of the United Nations, we have fought for the implementation of progressive principles which reflect the needs of the peoples; it is therefore quite natural that we should associate ourselves with their confirmation in decisions of the sixth special session of the General Assembly.

130. Mr. ZAVALA URRIOLAGOITIA (Bolivia) (*interpretation from Spanish*): First of all, my delegation, on behalf of the Government and the people of Bolivia, wishes to express its deepest condolences to the Republic of Austria on the great loss that that country has suffered in the sudden death of its President. My delegation wishes also to express to the delegation of Austria our sorrow and solidarity at moments of such distress.

131. Mr. President, my delegation wishes to express to you our warmest and most respectful greetings and also to state the satisfaction that we feel at your wise re-election to your high post. From that post, your qualities as a statesman and an internationalist have allowed you to preside over our work with your well-known wisdom and efficiency and have thus considerably contributed to the success of this session, which is intended to blaze trails in international relations.

132. Seldom in the last almost 30 years of existence of the United Nations have we acted as justly towards the poor nations euphemistically termed "the less developed nations" as we are doing today. At last recognition is given to our active, though silent and sacrificed, activities in the creation of the industrialized world enjoyed by the great Powers, luxuriating in assets and services while in our own countries we are languishing in poverty and frustration.

133. For those who believe in the possibility of magic formulas being devised, this new session of the General Assembly may be a new disappointment. But the same will not be the case for those who have come here sincerely to analyse and study the grave problems of our day. These are problems which to a certain extent are ever with us whenever wealth and misery have confronted one another in history. But this time the magic element is given us by the miraculous fact that it is the poor countries that have discovered in their raw materials the main element to ensure the growth of their industry and the progress of their development.

134. For many years the United Nations followed a slow progress of consolidation and of settlement. Yet, there was something that was jelling in the form of a background to its deliberations. It was a feeling of solidarity when confronted by the great crises which time after time shook the very foundations of human coexistence.

135. It is thanks to the fact that this Organization periodically faces the problems affecting the world that the international community has the necessary information and means to diagnose and to detect the ill, regardless of its origin.

136. Although it be true that we are far from having achieved the ideal of a world in which there will be no human beings that are too poor in contrast to those that wallow in plenty, we do nevertheless enjoy the inalienable right to bring to this international forum the aspirations, aims, grievances, achievements and frustrations of the majority of the mass of mankind.

137. Thus, too, for the first time we are eagerly seeking terms of equity in the relation of cause and effect between the countries producing raw materials and the countries utilizing them as a source of development.

138. The wide curve of technological evolution that goes from the extraction of the raw material to its conversion into manufactured goods has created the wide gap that separates the industrialized from the developing nations. But this time, perhaps in unprecedented form, we all agree on the basic points and on the need to find a more just and equitable relationship, if we wish to put a stop to the crisis and avoid its consequences.

139. Mine is a less developed country. But to the penury caused by our chronic poverty must be added the specific and important aspect of its being a land-locked nation, land-locked because of a war which we did not provoke and for reasons that have no justification in history. But because of that unfortunate episode, Bolivia was isolated from the great economic and human currents that started the transformation of South America at the end of the nineteenth century.

140. That isolation has a very burdensome effect on our historical process; particularly, when referring to the fact that we have no access to the world trade routes. With the Andes as the barrier to the west and the wide valleys and plains to the east, Bolivia was able to find its raw materials in its minerals. But despite the wealth of our soil and the great rivers that rise in our mountains and flow into the basins of the Amazon and the Plata, our economy is still a mining one and our peoples for centuries still carry the onerous burden of a sad destiny, since only a very small part of the wealth that was drawn from the mines returned to those that drew it.

141. When we say that one of the causes of the present crisis is that prices negotiated in the wide international markets give a minimum value to the raw materials and to the man who extracts it from the bowels of the earth, then we are describing Bolivia. When we speak of the true prices, we wonder, "What price human effort?" And the only answer we can give is, "Little or nothing". Thus, our indigence. Thus our permanent instability. Thus, the impatience of a people which has poured its most valuable reserves out into the world and is still dressed in rags.

142. We do not deny the value to be attached to technological progress, but we cannot agree to constant underestimation of human labour that still acts as a factor in others' progress and prosperity.

143. But this sincere humanistic concern cannot be implemented and cannot be met unless there is a converging political will, not basing our solutions on momentary advantages that are as soon accepted as flouted. There must

be a firm political will. We must start from a new assessment of the human factor that must be implicit in any measure that this type of meeting may adopt.

144. But in this discussion my country does not wish to strike the sour note of disagreement or reproach. On the contrary, we would like to add our voice to the voices which have brought messages of conciliation and not of confrontation, since we consider that the main objective of this session must and can only be that of adopting the necessary framework for negotiation to strengthen a state of independence without frictions or reservations, but full of a will to act. To the deterioration of the terms of trade we do not wish to add the even more serious deterioration of hope for a better world; a universal whole resting on mutual understanding, good faith and a common interest in confronting globally the problems that affect men all over the world.

145. As a logical consequence of the energy crisis, a certain number of fundamental truths have surfaced. The first that must be accepted as an irrefutable fact is that the States are equal, not only in the light of the classical principles of the law or of the Charter, but in the more realistic and pragmatic aspect of universal trade. For the balance of the world in which we live, capital and technology are not sufficient to ensure development, nor is the possession of abundant natural resources. Unless the balance of both parties rests on a just and equitable basis, there can be no stability; and if there is no stability, the very foundations on which peace rests are shattered. Another fundamental and basic truth which flows from the previous one is that of the interdependence of States. There are no isolated worlds and there are no developed autarchies that can be sufficient unto themselves. We live in a world of correlated interests and the recent energy crisis and the scarcity of food have been the evident proof of the fact that there is a close and intimate relationship that may shake the apparent invulnerability of those nations usually deemed to be the most powerful.

146. But from this experience, in which once more the voice of Providence has been heard, there emerges, like a reality that is simultaneously new and eternal, a lesson of humility and wisdom, a type of elevating the less powerful, as though new force were being given in the contemporary historical arena to the very wise Christian admonition that warns that the mighty shall be humbled and the humble shall be exalted.

147. My delegation listened with great interest to many of the initiatives voiced at this session, particularly those of the Foreign Minister of the Federal Republic of Germany, Mr. Walter Scheel [2209th meeting], who recommended that the developed nations should help in the establishment of centres for the transformation of raw materials in the developing countries.

148. Bolivia has vast surfaces of land that can be used for agriculture and cattle-breeding. We also possess considerable mineral resources and sufficient petroleum to meet our domestic needs and ensure an economic exportable margin. We also have a great energy potential that can be developed and is being prospected at the moment.

149. The Nationalist Government of General Hugo Bánzer Suárez is acting realistically and without any political prejudices regarding economic co-operation.

150. We know that we possess vast resources in our subsoil, but in order to make them viable, we need investments of capital and technology that are possessed by the more developed nations. But to guarantee foreign participation on an equitable basis and by mutual agreement, my Government has adopted a law of investments that includes clear and precise, if bold, measures intended to encourage a flow of capital the object of which will be, not to achieve rapid profits at any cost, but to attain stable aims and a remunerative return within reasonable conditions that will make possible a stability that will be beneficial and equitable for both parties.

151. The resources in the funds that the petroleum-producing countries have decided to set up will, together with the contribution of the industrialized countries, doubtless have a wide field of action in those countries which, like Bolivia, possess the necessary elements to encourage this new type of undertaking where a full body can be given the spirit of co-operation and interdependence, which will stand as one of the most positive achievements of this session.

152. In the past, the establishment of a human and united world was based more in the field of aspirations than in that of achievement. It is for this reason that we express from this high rostrum our satisfaction that both the representatives of the industrialized and the non-developed nations have expressed their decision actively to participate in the creation of a new and more equitable and reasonable international economic order. At this stage of history, that is the only option that will allow us to improve the standard of living and widen and diversify productive activities, to use natural resources rationally and systematically to achieve a revaluation of raw materials.

153. To sum up, we consider that the new order should be based upon the following: the formulation and application of measures to improve the terms of trade of the developing countries, as well as other measures that will ensure access to the exportable surpluses on the markets of the developed countries, as well as those assets that are produced and that flow from the policies of industrialization that are being implemented both in the regional and subregional groups; the gradual elimination of customs and non-customs barriers to assist the developing countries and as part of a wide policy intended to increase the export capacity of our countries; the signing of other agreements on raw materials in order to stabilize and reorganize their markets, on the understanding that, simultaneously, there shall be established suitable machinery to link and adjust automatically the evolution and the flow of prices for raw materials of the developing countries, linking them to the value of the manufactured goods derived from these raw materials and exported from the industrialized countries starting from equitable base prices, and thus, remunerative and just exchanges will be achieved for both parties; again, a generalized system of preferences—and we would stress the urgency of improving and harmonizing this system in order to simplify it as far as possible, with preferential treatment to be given the land-locked developing countries,

129. The proposals which we have set out are fully in accord with the United Nations Charter, the fundamental course taken by our foreign policy and the nature of the socialist system. Throughout the years of the existence of the United Nations, we have fought for the implementation of progressive principles which reflect the needs of the peoples; it is therefore quite natural that we should associate ourselves with their confirmation in decisions of the sixth special session of the General Assembly.

130. Mr. ZAVALA URRIOLAGOITIA (Bolivia) (*interpretation from Spanish*): First of all, my delegation, on behalf of the Government and the people of Bolivia, wishes to express its deepest condolences to the Republic of Austria on the great loss that that country has suffered in the sudden death of its President. My delegation wishes also to express to the delegation of Austria our sorrow and solidarity at moments of such distress.

131. Mr. President, my delegation wishes to express to you our warmest and most respectful greetings and also to state the satisfaction that we feel at your wise re-election to your high post. From that post, your qualities as a statesman and an internationalist have allowed you to preside over our work with your well-known wisdom and efficiency and have thus considerably contributed to the success of this session, which is intended to blaze trails in international relations.

132. Seldom in the last almost 30 years of existence of the United Nations have we acted as justly towards the poor nations euphemistically termed "the less developed nations" as we are doing today. At last recognition is given to our active, though silent and sacrificed, activities in the creation of the industrialized world enjoyed by the great Powers, luxuriating in assets and services while in our own countries we are languishing in poverty and frustration.

133. For those who believe in the possibility of magic formulas being devised, this new session of the General Assembly may be a new disappointment. But the same will not be the case for those who have come here sincerely to analyse and study the grave problems of our day. These are problems which to a certain extent are ever with us whenever wealth and misery have confronted one another in history. But this time the magic element is given us by the miraculous fact that it is the poor countries that have discovered in their raw materials the main element to ensure the growth of their industry and the progress of their development.

134. For many years the United Nations followed a slow progress of consolidation and of settlement. Yet, there was something that was jelling in the form of a background to its deliberations. It was a feeling of solidarity when confronted by the great crises which time after time shook the very foundations of human coexistence.

135. It is thanks to the fact that this Organization periodically faces the problems affecting the world that the international community has the necessary information and means to diagnose and to detect the ill, regardless of its origin.

136. Although it be true that we are far from having achieved the ideal of a world in which there will be no human beings that are too poor in contrast to those that wallow in plenty, we do nevertheless enjoy the inalienable right to bring to this international forum the aspirations, aims, grievances, achievements and frustrations of the majority of the mass of mankind.

137. Thus, too, for the first time we are eagerly seeking terms of equity in the relation of cause and effect between the countries producing raw materials and the countries utilizing them as a source of development.

138. The wide curve of technological evolution that goes from the extraction of the raw material to its conversion into manufactured goods has created the wide gap that separates the industrialized from the developing nations. But this time, perhaps in unprecedented form, we all agree on the basic points and on the need to find a more just and equitable relationship, if we wish to put a stop to the crisis and avoid its consequences.

139. Mine is a less developed country. But to the penury caused by our chronic poverty must be added the specific and important aspect of its being a land-locked nation, land-locked because of a war which we did not provoke and for reasons that have no justification in history. But because of that unfortunate episode, Bolivia was isolated from the great economic and human currents that started the transformation of South America at the end of the nineteenth century.

140. That isolation has a very burdensome effect on our historical process; particularly, when referring to the fact that we have no access to the world trade routes. With the Andes as the barrier to the west and the wide valleys and plains to the east, Bolivia was able to find its raw materials in its minerals. But despite the wealth of our soil and the great rivers that rise in our mountains and flow into the basins of the Amazon and the Plata, our economy is still a mining one and our peoples for centuries still carry the onerous burden of a sad destiny, since only a very small part of the wealth that was drawn from the mines returned to those that drew it.

141. When we say that one of the causes of the present crisis is that prices negotiated in the wide international markets give a minimum value to the raw materials and to the man who extracts it from the bowels of the earth, then we are describing Bolivia. When we speak of the true prices, we wonder, "What price human effort?" And the only answer we can give is, "Little or nothing". Thus, our indigence. Thus our permanent instability. Thus, the impatience of a people which has poured its most valuable reserves out into the world and is still dressed in rags.

142. We do not deny the value to be attached to technological progress, but we cannot agree to constant underestimation of human labour that still acts as a factor in others' progress and prosperity.

143. But this sincere humanistic concern cannot be implemented and cannot be met unless there is a converging political will, not basing our solutions on momentary advantages that are as soon accepted as flouted. There must

be a firm political will. We must start from a new assessment of the human factor that must be implicit in any measure that this type of meeting may adopt.

144. But in this discussion my country does not wish to strike the sour note of disagreement or reproach. On the contrary, we would like to add our voice to the voices which have brought messages of conciliation and not of confrontation, since we consider that the main objective of this session must and can only be that of adopting the necessary framework for negotiation to strengthen a state of independence without frictions or reservations, but full of a will to act. To the deterioration of the terms of trade we do not wish to add the even more serious deterioration of hope for a better world; a universal whole resting on mutual understanding, good faith and a common interest in confronting globally the problems that affect men all over the world.

145. As a logical consequence of the energy crisis, a certain number of fundamental truths have surfaced. The first that must be accepted as an irrefutable fact is that the States are equal, not only in the light of the classical principles of the law or of the Charter, but in the more realistic and pragmatic aspect of universal trade. For the balance of the world in which we live, capital and technology are not sufficient to ensure development, nor is the possession of abundant natural resources. Unless the balance of both parties rests on a just and equitable basis, there can be no stability; and if there is no stability, the very foundations on which peace rests are shattered. Another fundamental and basic truth which flows from the previous one is that of the interdependence of States. There are no isolated worlds and there are no developed autarchies that can be sufficient unto themselves. We live in a world of correlated interests and the recent energy crisis and the scarcity of food have been the evident proof of the fact that there is a close and intimate relationship that may shake the apparent invulnerability of those nations usually deemed to be the most powerful.

146. But from this experience, in which once more the voice of Providence has been heard, there emerges, like a reality that is simultaneously new and eternal, a lesson of humility and wisdom, a type of elevating the less powerful, as though new force were being given in the contemporary historical arena to the very wise Christian admonition that warns that the mighty shall be humbled and the humble shall be exalted.

147. My delegation listened with great interest to many of the initiatives voiced at this session, particularly those of the Foreign Minister of the Federal Republic of Germany, Mr. Walter Scheel [2209th meeting], who recommended that the developed nations should help in the establishment of centres for the transformation of raw materials in the developing countries.

148. Bolivia has vast surfaces of land that can be used for agriculture and cattle-breeding. We also possess considerable mineral resources and sufficient petroleum to meet our domestic needs and ensure an economic exportable margin. We also have a great energy potential that can be developed and is being prospected at the moment.

149. The Nationalist Government of General Hugo Bánzer Suárez is acting realistically and without any political prejudices regarding economic co-operation.

150. We know that we possess vast resources in our subsoil, but in order to make them viable, we need investments of capital and technology that are possessed by the more developed nations. But to guarantee foreign participation on an equitable basis and by mutual agreement, my Government has adopted a law of investments that includes clear and precise, if bold, measures intended to encourage a flow of capital the object of which will be, not to achieve rapid profits at any cost, but to attain stable aims and a remunerative return within reasonable conditions that will make possible a stability that will be beneficial and equitable for both parties.

151. The resources in the funds that the petroleum-producing countries have decided to set up will, together with the contribution of the industrialized countries, doubtless have a wide field of action in those countries which, like Bolivia, possess the necessary elements to encourage this new type of undertaking where a full body can be given the spirit of co-operation and interdependence, which will stand as one of the most positive achievements of this session.

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whose disadvantages in world trade are too well known to need mention here; a solution to the food crisis through the creation of buffer stocks, ensuring their financing through multinational financial machinery, and the holding of multilateral trade negotiations under the aegis of the principles of non-reciprocity and non-discrimination and, lastly, the growing participation of the developing countries in international transport, particularly shipping, with parallel progress in the field of insurance and reinsurance to reduce the internal costs and improve the balance of payments.

154. With regard to the reform of the international monetary system, we advocate the full and effective participation of the developing countries so that the impact of the effects of inflation in the developed nations will not have an adverse effect on the raw materials trade, as has been the case previously. We insist on the creation of a link between special drawing rights and development finance.

155. We are in favour of the formulation and application of specific rules to improve access to technology and to reduce its cost. We also consider it necessary to widen direct technical assistance from the more advanced nations to the developing countries. The creation of institutions of scientific and technical research at the regional and sub-regional level would constitute an undeniable contribution to this end.

156. There can be no doubt that the foreign trade difficulties and the scarcity of financial resources do put a brake on the social and economic development of our peoples. But to obviate this partially we believe that it would be possible to make use of the great technological, financial and commercial potential of the foreign enterprises under flexible and equitable formula that would be agreeable both to the host country and to the investor.

157. Conditions now exist as never before to set up policies and machinery that will allow the developing countries to work on raw materials and to increase co-operation in the trade, financial, technical and transport fields.

158. We could hardly refrain from mentioning at this time, and expressing our gratitude for, the assistance that we have been receiving from a number of friendly States, and particularly from the World Food Programme and the European Economic Community. This co-operation has been all the more valuable since it has contributed to the vast efforts of my Government to assist the thousands left homeless because of the floods caused by the intensive rainfall of last autumn which caused losses amounting to over \$50 million, without taking into account the crops destroyed and the cattle drowned.

159. Added to the great calamities of under-development these natural calamities have led my Government to ask for co-operation from international loan organizations, and we trust that we shall obtain such assistance.

160. I referred earlier in this statement to the land-locked character of Bolivia. May I stress that the position of the Government of Bolivia in its demand to have access to the

sea only interprets the strong will of the people. This is the popular will of our people and it acts as a catalyst for all our aspirations and is considered to be the true cause of all our frustrations.

161. But we also wish to set forth clearly that our claim does not mean a resumption of old resentments or that we have awakened warlike intentions. As the President of the Bolivians, General Hugo Bánzer Suárez, has stated, our lack of access to the sea is "the active and the major problem of Bolivia, which has always constituted our greatest national tragedy". We are not challenging anyone and we are not seeking revenge. We are calling for international solidarity, and more particularly that of those nations that participate in the historic fact of a tragic war and in the subsequent negotiations which, all the more selfishly because they were among brother nations, seemed to close off any possibility of settlement of our encirclement. As the national consultations held in the city of Cochabamba made clear, Bolivia will not and cannot accept its encirclement; but Bolivia cannot consider any solution other than one brought about by negotiation and dialogue. With the outstanding representative of El Salvador, Mr. Galindo Pohl, we share the view that the only holy war of our day is the war against under-development. We are involved in that war, and it is for that reason that we want a return of our access to the sea.

162. This is not a threat and it is not an obsession. It is the unshakable will of a people that wishes fully to live up to its destiny. We are a country that understands contact. We are aware of this, but we want to be a nation of contact without limitations and without egotism, but also without having to transfer sovereignty or power.

163. Thus, the former Foreign Minister of Bolivia, Mr. Mario R. Gutiérrez Gutiérrez, in a statement made from this rostrum at the twenty-seventh session of the General Assembly, stated:

"There are no insoluble problems or insurmountable differences. Reason, which persuades men and peoples, can lead us to modern and constructive ideas. Security does not lie in our own capacity to commit aggression or to defend ourselves, but in joining our efforts with those of others and putting together the resources we have."¹⁴

He then expressed his hope that through sound integrationist reasoning, Bolivia and its neighbours on the Pacific would find a way to unite and build a better tomorrow.

164. We offer our soil and our potential wealth to any enterprise that abides by our laws, but our destiny will always be limited and restricted while we remain a closed-in country. We do not wish to impose onerous conditions that are not realistic in content. But we trust that once we sit down at the negotiating table solutions will not be long in coming. Our claim is a claim for peace. And if we have one reproach to the other parties it is for their reluctance to engage in a dialogue—perhaps because of a fear of being just on their part or because they continue to believe that just solutions do not have a place in history.

¹⁴ See *Official Records of the General Assembly, Twenty-seventh Session, Plenary Meetings*, 2055th meeting, para. 168.

165. If they do think that, they are gravely mistaken. This present session is a further proof that over and above the decisions of man—and those who govern the great Powers are only men—there does exist an immanent justice that flows from Above.

166. Mr. Al-ZAWAWI (Oman): On behalf of His Majesty the Sultan of Oman, the Government and people of Oman, I wish to convey our sympathy to the Government and people of Austria on the passing of the late President of Austria, Franz Jonas.

167. Mr. President, on behalf of my delegation, I have the pleasure of congratulating you on your election to the presidency of the sixth special session of the General Assembly. We are confident that your long experience will contribute a great deal towards the success of this session.

168. I also wish to express our gratitude to Mr. Houari Boumediène, the President of the Revolutionary Council and the President of the Council of Ministers of the People's Democratic Republic of Algeria, for the initiative he took to convene this important session.

169. This session of the General Assembly of the United Nations is of very special importance. It is meeting in a critical and decisive moment in the life of the entire international community, now facing an acute economic crisis which can affect all nations, regardless whether they be developed or developing, rich or poor. We have come to this session with great hopes of finding a way both to control inflation and rising prices, and to set targets for the promotion of enduring international economic relationships.

170. The Charter of the United Nations declares the intention of the world Organization to promote social progress and better standards of living and to use for this purpose existing international machinery for the promotion of the economic and social advancement of all people. The United Nations in the 1960s undertook, to this end, a programme of co-ordination among all nations of the world. The United Nations and its associated organizations and specialized agencies participated in laying down guidelines and setting targets for attacking the ancient enemies of mankind—disease, hunger, ignorance and poverty—and attempted to lay the foundations in all developing lands for a more modern and productive economy. As a part of these efforts the first session of UNCTAD was called to meet in Geneva in the spring of 1964. For the first time, an international gathering was held in which all the nations of the world participated to discuss economic problems. The rich and the poor, the developed and the developing, those who co-operate in organs of the United Nations and those who stayed outside the United Nations, met in Geneva in a spirit of co-operation, regardless of their divergent political ideologies and with the expressed willingness to permit international interests to prevail over the national interest. That spirit was the main reason for the success of that first session, and we hope that same spirit will prevail during this session of the Assembly, because it is the key to the success of any work done in solving such sensitive and important economic international problems.

171. The developing nations have not lost hope. They have continuously been reaching for solutions to these

problems through international economic organizations as well as through bilateral or collective inter-State conferences. There were several attempts, the last of which was the Fourth Conference of Heads of State or Government of Non-Aligned Countries held in Algeria last September, in which members were trying to find a way to awaken developed nations and to remind them of the developing nations' rights, and indeed their obligations, and of the necessity to co-operate. Unfortunately, all efforts to reach these goals have failed so far.

172. As a result, action is being taken along two lines. Firstly, an effort is being made by the developing nations themselves to increase trade substantially among themselves and so decrease their dependence on the developed industrialized nations; and, secondly, those developing countries that are producers of raw materials are attempting to unite to gain a stronger negotiating position in order to place themselves on equal grounds with the developed nations. This, of course, involves the continued insistence on the part of those countries on their right to own and exploit their own natural resources. With the latter aim in mind, the Organization of Petroleum Exporting Countries [OPEC] was formed; it found that the prices the developed nations had been paying for their oil were much lower than the oil's value in the international market; it further found that such prices remained at such low levels for years, while at the same time the prices of the goods exported by the developed nations to the developing nations were increasing during the same period at an increasingly rapid rate. That is why the developing nations have found it necessary to increase the revenues realized from the sale of their crude oil. That increase was not designed to cause economic harm to any country, developed or developing; it was, and is, meant to correct an inequitable and unfair situation that has existed for many years.

173. We are all aware of the fact that the world today is suffering from inflation. This inflation is not confined within national boundaries and therefore cannot be controlled within them. It is an international kind of inflation which needs international co-operation. We in Oman, as a developing country, feel this inflation in many areas, most severely in construction materials, food and manufactured goods.

174. It has been alleged that the main cause of the present world-wide inflation can be found in increased oil prices. This is not so. There are many factors that have been and are contributing to rising prices. The exceptionally high taxes on petroleum products imposed by the importing countries is a very significant factor in this regard. It has also been suggested that the increase in the cost of fertilizers is attributable to higher oil prices. Technologically it is a well-known fact that it is possible to produce fertilizer from natural gas far more cheaply than from crude oil. Nevertheless, at the present time, natural gas is being flared throughout the Middle East at an unbelievably wasteful rate.

175. Thus, no matter where we look and to what facts we attribute the blame for inflation, and no matter what the justification for higher oil prices, the world's economic picture is unpleasantly clear and has to be dealt with. There is, however, one group of nations which is the least able to

deal with the situation. The poor developing nations, faced with high import prices for oil, raw materials and food, are faced with economic disaster.

176. This situation has been the subject of several meetings of OPEC and the League of Arab States as well as sessions of the Group of Non-Aligned Countries. The result has been the establishment of the Arab Bank for Economic Development in Africa and the Islamic Development Bank for the purpose of making long-term loans with no, or only minimal, interest to these nations. That is what oil-producing nations have done; now it is up to the developed nations to offer their assistance to unfortunate developing nations and to remove the barriers which hinder the development of their international trade.

177. The international economy has been managed for too long by a small number of highly industrialized States which have ignored all but their own benefit. These nations not only control the international economic and monetary systems; they also consume a great percentage of the world's raw materials. It has become necessary to find a new economic system where decision-making is shared by all nations and where the poor ones are fairly represented. This, from our point of view, should be the aim of this United Nations meeting. After all other efforts have failed, the developing and poor nations have placed their hopes in the United Nations.

178. There can never be complete economic independence for any nation or group of nations; there is, rather, a complete need for co-ordination and interdependence among States. In other words, the advanced States and the developing States have to deal with one another. What is required now is a search for laws and rules to govern the relationship among nations and to narrow the gap between the rich and the poor. These efforts must recognize the right of every nation, first, to own and control its raw materials as well as its strategic economic sectors; secondly, to control foreign enterprise within its borders; and thirdly, to participate in setting the bases and the rules that organize international economic relationships. These efforts must be made within the framework established by the 15 general principles adopted by UNCTAD at its first session,¹⁵ and those set up by the Conference of non-aligned States last September.¹⁶

179. Therefore, we must clearly define and strengthen: first, the relationship among the developing nations themselves; second, the relationship between developing and developed nations; and third, the relationship between economic organizations and specialized agencies and between the member States to enable these organizations to play an active role in setting up the broad lines for solving all international economic problems.

180. We think that the economic problems which need more concentration and long-term urgent solutions are:

(a) The establishment of a link or relationship between the prices of the primary commodities exported by

developing countries and the manufactured and semi-manufactured goods imported by them;

(b) The bringing of food and primary agricultural products, especially wheat, within the reach of all nations and fixing a standard international price for them.

(c) The financing of development projects in the poor nations by offering technical assistance and food products to raise the standard of living.

(d) The adoption and implementation of an international code of conduct for the transfer of technology to developing nations and for giving them a hand in their industrialization projects;

(e) The removal of tariff and non-tariff barriers and the elimination of any restriction on business practices between developed and developing countries;

(f) The establishment of a new world monetary system with the full and effective participation of developing nations—the International Monetary Fund and the World Bank should be able to play a greater role in designing and implementing a better mechanism to help easily adjust balances of payments of both developed and developing countries and promote economic development;

(g) The examination and limitation of the role played by international corporations in order to prevent their interference in national internal affairs, their activities to be controlled by the nations from which they operate. The developed countries have declared time and again that they are willing to transfer their technological know-how to the developing nations. This may in part be accomplished by requesting international corporations to train citizens of developing countries in technological and administrative know-how. These are the main problems which require quick solutions.

181. The Sultanate of Oman believes that this special session of the United Nations should aim mainly at creating co-operative relations with a view to finding solutions which will create a better life for everyone, rather than at a confrontation between nations.

182. We truly and faithfully pray to God that this session will succeed and that the international interests will prevail over the national interests to create peace, co-operation and understanding among nations.

Statement by the representative of Austria

183. Mr. JANKOWITSCH (Austria): Mr. President, this morning after the moving tribute you paid to him, the Assembly observed a minute of silence in memory of Franz Jonas, the late Federal President of the Republic of Austria. That you, Mr. President, and the members of this Assembly should have thus honoured his memory is a token of sympathy for which the Austrian delegation in this hour of national grief is profoundly grateful.

184. Franz Jonas, who passed away in Vienna in the early hours of today, was the seventh head of State of the

¹⁵ See *Proceedings of the United Nations Conference on Trade and Development*, vol. 1, *Final Act and Report* (United Nations publication, Sales No.: 64.II.B.11), third part, annex A.I.1.

¹⁶ See document A/9330 and Corr.1.

Republic of Austria. In the democratic tradition established by the Austrian Republic, the Austrian people elected him twice to his high office—in 1965 and in 1971. His life was a life of service to his people and its democratic ideals. As Mayor of Vienna and as President of Austria, Franz Jonas has engraved his name in the history of his country. The name of Franz Jonas the Mayor is inextricably linked to the rebuilding of the Austrian capital, ravaged by many years of war and disfigured by foreign occupation. The name of Franz Jonas the President is linked to his nine years in office, during which time the Austrian people made great progress in building a modern, prosperous society founded on democracy and tolerance. As the highest elected representative of his people, Franz Jonas had frequently become the respected interpreter of the friendly feelings of

Austria to the peoples and nations of Europe and the world. By his travels abroad and by his unceasing interest in the peaceful development of international relations, he symbolized Austria's desire to contribute to the building of a new, peaceful world. The last days of Franz Jonas were passed, like his first days in public office, in serving his people and performing humbly the duties of the day.

185. Mr. President, in honouring the memory of Franz Jonas you have honoured the Austrian people and given it comfort in a moment of deep sorrow. This will certainly not be forgotten.

The meeting rose at 1.10 p.m.