land-locked countries should be governed by bilateral and multilateral agreements.

102. Mr. HALL (Jamaica) said that he had voted in the same way as the representative of the Gambia and for the same reasons.

103. Mr. HUSSEIN (Somalia) said that his Government understood very well the problems faced by the land-locked countries. However, inasmuch as his delegation had not received the necessary instructions in time to vote on paragraph 4, it had been compelled to abstain.

104. Mr. DIÉ (Ivory Coast) said that he would have liked the draft resolution to be adopted by consensus and had hoped that the land-locked countries would co-operate with the countries of transit in order to arrive at a text of the type suggested by the representative of Algeria. Free access was not in fact an absolute right and could be granted only in the framework of bilateral and multilateral conventions. The intransigence of the land-locked countries had compelled his delegation to vote against paragraph 4, which in its opinion prejudged the results of the Conference on the Law of the Sea. He emphasized, however, that his Government provided all possible aid to neighbouring land-locked countries.

105. His delegation had voted in favour of paragraph 1 because it felt that the paragraph contributed to the solution of those countries' problems.

106. Mr. CHAVANAVIRAJ (Thailand) said that his delegation had voted in favour of paragraphs 1 and 4 and of the draft resolution as a whole. However, it wished to emphasize the importance which it attached to bilateral and multilateral agreements. It therefore interpreted paragraph 4 of the draft resolution as in no way obviating the necessity of concluding such agreements.

107. Furthermore, the fact that it had voted in favour of the draft resolution as a whole did not in any way prejudice Thailand's position at the Conference on the Law of the Sea.

108. Mr. MURIN (Czechoslovakia) said that his delegation had voted in favour of draft resolution A/C.2/L.1359/Rev.1 as a whole because it had always been deeply interested in the vital needs of the land-locked developing countries. However, in meeting those needs, national priorities should be taken into account and a balance should be struck with the needs of all the developing countries. Lastly, his delegation associated itself with the proposal made by the Soviet delegation.

109. Mr. ACEMAH (Uganda), speaking on behalf of the sponsors, thanked those delegations which had supported draft resolution A/C.2/L.1359/Rev.1. The sponsors had been sensitive to the efforts made by some delegations to have the text adopted by consensus; however, they had carefully weighed their words before introducing their text.

The meeting rose at 1.30 p.m.

1638th meeting
Monday, 25 November 1974, at 3.20 p.m.

Chairman: Mr. Jihad KARAM (Iraq).

AGENDA ITEM 48

1. Mr. CASTANEDA (Chairman of the Working Group on the Charter of Economic Rights and Duties of States) said that, in accordance with decision 110 (XIV) of the Trade and Development Board (A/9615 (annex 1)), he was to report to the General Assembly on the work performed by the Working Group in formulating a draft Charter of Economic Rights and Duties of States.

2. At its first session, the Working Group had agreed on the selection of some 20 basic subjects for inclusion in the Charter. The second session had dealt with the proposals put forward by States and with their organization and reconciliation; relatively little progress had been made at that session. The process of negotiating opposed positions had begun at the third session in Geneva in 1974. Once more, little progress had been made. At the fourth session,

Geneva and New York in September and October. He recalled that the drafting of such a Charter had originally been proposed by the President of Mexico at the third session of UNCTAD in 1972, when the Conference had adopted its resolution 45 (III), which, inter alia, established the Working Group. Detailed background information was provided in the report of the Working Group on its fourth and last session (TD/B/AC.12/4 and Corr.1).

1. See 2 above.
made to complete the drafting of the Charter. The task had been complex and, despite its efforts, the Working Group had been unable to fulfill its mandate. By the end of that session, the Group had more or less agreed on 16 basic articles, as well as on 10 preambular paragraphs and on 11 principles in chapter I.

3. He drew attention to the agreed texts in the report of the Working Group (TD/B/AC.12/4 and Corr.1); where agreement had not been reached, the various alternatives were given in the report. Some of the paragraphs on which agreement had not been reached had been introduced at the beginning of the negotiations, but others were relatively new. He recalled that, between the summer session in 1973 and the sessions held in 1974, there had been a number of tremendously important developments which had considerably complicated the negotiations. They had included the energy crisis, shortages of certain raw materials, inflation and a whole range of questions which had led some groups or countries to submit new proposals reflecting the new circumstances. Because of the uncertainty of the situation, it had been difficult to reach definitive conclusions on many issues. For example, the proposal submitted by Venezuela at the second session of the Working Group concerning the right to form producers' associations had taken on a completely new dimension. The principle concerning the relationship which should exist between the prices of imports and of exports of developing countries, and that concerning the maintenance of the regular flow of raw material supplies—submitted by the EEC countries—were examples of the new proposals submitted at the last session of the Working Group.

4. When the consultations in Geneva had begun early in September, there had been three categories of subjects on which agreement had not been reached. The first was paragraph 2 of the draft Charter contained in the report of the Working Group. The second involved paragraphs 4 and 26, concerning international trade, the principle of nondiscrimination in trade and most-favoured-nation treatment, on which the major disagreement had been between the EEC countries and the socialist States. There had also been disagreement on references to those questions in certain preambular paragraphs and in one paragraph of chapter I dealing with the general legal and political principles applicable to international economic life. The third category of issues on which agreement had not been reached was the new concepts to which he had referred earlier and some political questions, such as colonialism, apartheid, and occupation of foreign territories.

5. Little progress had been made during the consultations in Geneva, but agreement had been reached on four matters, two of which were important. There had been agreement on the text of an article to be included in chapter III, concerning protection of the environment, and on the text concerning the principle of interdependence contained in paragraph 1 under the heading “General provisions” in the report of the Working Group. Agreement had also been reached on the text of two provisions concerning the interpretation of the Charter, which appeared in the report under the heading “Concluding paragraphs”.

6. When the consultations in New York had begun in the beginning of the negotiations, but others were relatively new. He recalled that, between the summer session in 1973 and the sessions held in 1974, there had been a number of tremendously important developments which had considerably complicated the negotiations. They had included the energy crisis, shortages of certain raw materials, inflation and a whole range of questions which had led some groups or countries to submit new proposals reflecting the new circumstances. Because of the uncertainty of the situation, it had been difficult to reach definitive conclusions on many issues. For example, the proposal submitted by Venezuela at the second session of the Working Group concerning the right to form producers' associations had taken on a completely new dimension. The principle concerning the relationship which should exist between the prices of imports and of exports of developing countries, and that concerning the maintenance of the regular flow of raw material supplies—submitted by the EEC countries—were examples of the new proposals submitted at the last session of the Working Group.

7. He would like to refer in greater detail to the issues on which agreement had not been reached. There were four alternatives for paragraph 2 in document TD/B/AC.12/4 and Corr.1. The first had been proposed by the Group of 77 and reflected its basic position; the fourth reflected the views of Group B; alternative 3 had been proposed by Australia and Canada as a compromise; alternative 2 had been submitted almost in extremis, at the last session of the Working Group, by the representative of the Philippines, in his capacity as Chairman of Negotiating Group 2. Alternative 2 had attempted to combine the least controversial elements from the opposed texts that had been submitted, and in both Geneva and New York it had been taken as the basis for discussion. In New York, partial and tentative agreement had finally been reached on the basic statement concerning the principle of permanent sovereignty over natural resources and on restriction of the activities of transnational corporations. The agreement could only be provisional and tentative, since it was subject to a general agreement on all the other matters dealt with in paragraph 2, agreement which unfortunately was not forthcoming. Regarding investment agreements between States and private companies and the obligation to fulfill them in good faith, the Group B countries considered that, if a State accepted foreign capital under certain conditions and concluded an agreement with the investing company, that agreement should be fulfilled in good faith. The countries of the Group of 77 did not deny the general duty of all States to fulfill their obligations, but considered that such agreements were not international agreements, since they were not concluded between States and were therefore governed by the domestic law of the State concerned. They did not have international status, because private companies were not subjects of international law. The developing countries refused to accept the formula in alternative 4 because they felt that it would be tantamount to conferring international status on such companies and making the legal bond between the company and the State a bond of international law. Disagreement on that issue was radical.

8. The second point in paragraph 2 on which agreement had not been reached was nationalization and terms of
compensation. There had been differences of opinion on the matter for over a century, as could be seen from the many recorded international cases and precedents. The views of the developed countries, and some of the precedents, were diametrically opposed to the views of the developing countries and to other precedents. The basic difference of opinion concerned the law which was applicable and the nature of the compensation. The developing countries maintained that compensation should be fixed in accordance with the law of the expropriating State. The Group B countries maintained that, while the domestic law of each country played a decisive role, if the solution imposed by that law in the setting of compensation did not satisfy certain international standards, international law should be applicable. In that context, they understood international law to include generally accepted practice as well as bilateral or multilateral agreements concluded by the expropriating country. Among such generally accepted practice, they included the payment of "prompt, adequate and effective" compensation—the almost ritual formula of jurists in those countries, particularly the common-law countries. The countries of the Group of 77 denied the existence of generally accepted practice on that issue, since the legal precedents and opinion on the matter differed too widely for there to be any real international custom. It had therefore been very difficult to reconcile the views of those two groups. Every effort had been made to come to some kind of agreement which defined the issue in precise terms would probably not be possible for some time to come. In New York, attempts had been made to refer only to the right to nationalize, without dealing explicitly with the question of conditions of compensation. However, all efforts had been in vain. One of the main reasons was undoubtedly the fact that both parties felt that all the issues in paragraph 2 were inextricably linked and that any agreement must be a comprehensive one.

9. The third controversial issue in paragraph 2 concerned the principle of fulfilment in good faith by States of international obligations concerning the principle of permanent sovereignty, nationalization, transnational corporations, and so on. The same difficulties arose: the developing countries maintained that the only international obligations were those freely assumed under treaties, while the Group B countries argued that there were additional obligations deriving from general international law or generally accepted practice. It had been impossible to reach any agreement on that point also.

10. The developing countries had wanted to include in paragraph 2 a further principle to which some Group B countries had objected. The principle was that contained in alternative 1, paragraph (4), which stated that "no State whose nationals invest in a foreign country shall demand privileged treatment for such investors". Some countries and jurists maintained, of course, that the "minimum standard" concept existed in international law and that an alien could receive more favourable treatment than the nationals of a country. Naturally, that was rejected by the developing countries, which invoked the principle of sovereign equality embodied in the Charter of the United Nations as being incompatible with preferential treatment for aliens.

11. Although paragraph 2 contained the most controversial issues, it had also been impossible to reach agreement on other important matters. First of all, there had been no agreement on the transitional paragraph. Although he did not believe that any group of States was insisting that the Charter of Economic Rights and Duties should be incorporated in a treaty at the present stage, there was basic agreement that it should, in the first instance, become a declaration of the General Assembly. Yet it had been impossible to agree on the wording of such a simple sentence. The Group of 77 had wanted to state that the Charter was a first step in the codification and progressive development of the subject, but some States in Group B had objected. Next, there had been disagreement on the inclusion of the words "peaceful coexistence" in chapter I and on the inclusion in subparagraph (i) of a reference to "the remediating of injustices which have been brought about by force and which deprive a nation of the natural means necessary for its normal development". As he had already mentioned, there had been no agreement on paragraphs 4 and 26. Paragraph 4 referred to non-discrimination in international trade on grounds of differences in political, economical and social systems, and paragraph 26 referred to most-favoured-nation treatment. On the latter point, the countries of Group D preferred explicit authorization of the most-favoured-nation clause as a general principle governing international trade. Other States, particularly members of EEC, preferred an explicit statement that most-favoured-nation treatment should be based on bilateral or multilateral arrangements. Despite the efforts of the Group 77 to produce a compromise formula, no agreement had been reached on that issue. Similarly, States had failed to agree on paragraphs 5 and 28. Paragraph 5 dealt with the right to form producers' associations, while alternative 2 to that paragraph referred to the responsibility to promote the regular flow of raw material supplies at stable, remunerative and equitable prices. Paragraph 28 dealt with the relationship which should exist between the prices of exports and of imports of developing countries.

12. There had been disagreement on paragraph 15, which concerned the freeing of resources through disarmament measures for use by developing countries. Most of the developing countries wanted that principle to be included in the Charter, while other States did not. The same was true of paragraph 16, which concerned the duty of States to eliminate colonialism, apartheid, racial discrimination, neo-colonialism and all forms of foreign oppression, occupation and domination and the duty to compensate the countries which had been the victims of such domination. Agreement had been reached on paragraph 11, with the exception of the second sentence, which stated that subregional, regional and interregional co-operation groupings must ensure that their policies corresponded to the provisions of the Charter. The main opposition to that sentence had come from the EEC countries. It had been impossible to reach agreement on paragraph 19, which concerned the granting of generalized preferential and non-reciprocal and non-discriminatory treatment to developing countries. Nor had the Working Group been able to agree on the inclusion in chapter III, which dealt with the duties of States to the international community, of a reference to the common heritage of mankind. As he had
stated earlier, the agreement on a text concerning the environment, to be included in chapter III, had subsequently been rejected in New York. There had also been disagreement on the inclusion of a reference in the concluding paragraphs to regular revision of the Charter.

13. The two most striking features of current international economic relations were the interdependence of States and the resulting interaction of economic problems. It was no longer possible to deal with, much less to solve, any international economic problem in isolation. An integrated approach was needed. That was what had inspired the Mexican proposal for a Charter of Economic Rights and Duties of States. It had been conceived as a general basic document embodying the major principles of economic relations between States. Some issues dealt with in the Charter, such as transnational corporations, certain aspects of trade relations, the environment and the law of the sea, would subsequently become the subject of further codification. Thus, the Charter was intended to be a kind of basic code and not a complete and exhaustive set of rules.

14. The Working Group had understood that its task was not only to codify the rules already embodied in international law, but to make progress—in other words, to establish new rules to meet the current and future needs of international society. It had tried to avoid the temptation and the mistake of confusing the Charter with a United Nations programme of action, such as the International Development Strategy for the Second United Nations Development Decade or the Programme of Action adopted at the sixth special session of the General Assembly. Although those documents covered roughly the same fields—international trade and co-operation, transnational corporations, foreign investment, and so on—they had a different function. The resolutions of the sixth special session expressed aspirations and made recommendations to the United Nations and certain groups of States. The draft Charter, however, set down rights and duties; in other words, it was intended to govern relations between States by establishing an objective and universal order. That was why, in his view, the Charter should be the focal point of the interests and aspirations of the various groups of States which formed the international community. The principal function of the Working Group had been to negotiate conflicting positions or to identify common denominators in the diverging interests of States. Its efforts to find generally acceptable formulae had been entirely compatible with the basic objective of the proposed Charter, namely, to protect and help the least privileged States to improve the standard of living of their people. All Members of the United Nations had accepted and recognized that that was the most important and urgent problem of the current time. As a result of that recognition, all States clearly had a political duty to support and implement a legal universal order, such as that embodied in the draft Charter, which protected and helped the most vulnerable sector of the international community.

15. The principles of mutual solidarity and collective responsibility should be more clearly and formally embodied in law. That, of course, was how the developing countries saw the problem. But he firmly believed that it would also be in the interests of the developed countries. The solidarity demanded by the developing countries was the guarantee of peace and stability. The ever-widening gap between rich and poor countries and, above all, the growing realization that the poverty of some created the wealth of others could only generate an unstable international situation.

16. Mr. AL-TAJIR (United Arab Emirates) said that he saw no justification for the lack of interpretation into Arabic at the 1637th meeting of the Committee. He also expressed his delegation’s dissatisfaction that draft resolution A/C.2/L.1386, of which it was a sponsor, had not yet been issued in Arabic.

17. Mr. AL-EBRAHIM (Kuwait) supported the representative of the United Arab Emirates and said that the Committee should not discuss the draft resolution until it was available in Arabic.

18. The CHAIRMAN said that he had scheduled the 1637th meeting in full awareness of the fact that, because of the shortage of interpreters, it would not be possible to have interpretation into Arabic. The pressing work schedule of the Committee made it imperative to hold as many meetings as possible, and the unfortunate absence of interpretation into Arabic had been unavoidable.

19. With regard to draft resolution A/C.2/L.1386, there seemed to be some misunderstanding; since it had not yet been formally introduced, it would not in any event be considered at the current meeting.

AGENDA ITEM 12


DEVELOPING ISLAND COUNTRIES (concluded)*

(A/C.2/L.1354/REV.2)

20. Mr. VERCELES (Philippines), introducing draft resolution A/C.2/L.1354/Rev.2, drew attention to the additions to the list of sponsors and the further changes that had been made in the text. He explained that in operative paragraph 4 the phrase “within the context of the mid-term review and appraisal” had been revised to read “within the context of their reporting in relation to the mid-term review and appraisal” so as to indicate that the organizations concerned were not expected to submit a separate report on the implementation of draft resolution A/C.2/L.1354/Rev.2 in addition to their usual reports to the Economic and Social Council.

21. The sponsors had tried to accommodate the views and amendments put forward by many delegations in the course of informal consultations. One delegation had wished to submit an amendment to paragraph 2, but the sponsors had been divided as to whether to accept it. They had therefore

* Resumed from the 1630th meeting.
1639th meeting
Wednesday, 27 November 1974, at 10.45 a.m.

Chairman: Mr. Jihad KARAM (Iraq).

AGENDA ITEM 48

1. Mr. GARCIA ROBLES (Mexico) said that first of all he wished to express the deep sorrow felt by his delegation at the news of the death of the third Secretary-General of the United Nations, U Thant, to whom the Mexican people paid a tribute for his love of peace and his humanitarian spirit as well as for the devotion he had always shown to the principles of the United Nations, particularly when they had been endangered by the acts of the powerful.

2. Introducing draft resolution A/C.2/L.1386, he recalled that he had spoken in the Second Committee on 20 November 1972 to set out in very general terms some of the main questions which, in the view of his Government, should be taken into consideration in the Charter of Economic Rights and Duties of States, the elaboration of which was to begin in Geneva three months later. Now the situation was quite different; the draft Charter had been completed and it was being submitted to the United Nations on behalf of the most widely representative group of States in the Organization. Many times he had had occasion to act as a spokesman for the sponsors of draft resolutions, but never before had he had such a great privilege as that of introducing draft resolution A/C.2/L.1386. That document, which the Group of 77 was submitting through him to the Second Committee, reproduced the complete text of the draft Charter of Economic Rights and Duties of States. He was convinced that if both the number of States sponsoring the draft and the importance of the Charter, which already enjoyed the support of about a hundred Member States, were taken into account, no one would doubt the exceptional importance of the deliberations which would take place on that question.

3. The draft Charter represented the culmination of two and a half years of efforts to bring to a successful conclusion the task initially begun, also by the third world, at Santiago, Chile, at the third session of UNCTAD, when the Conference in its resolution 45 (III) of 18 May 1972, had endorsed the proposal introduced by the President of Mexico, Mr. Luis Echeverria and, after having stressed the urgent need to establish generally accepted norms to govern international economic relations systematically and recognized that it is not feasible to establish a just order and a stable world as long as the charter to protect duly the rights of all countries and in particular the developing States is not formulated, had decided to establish a Working Group composed of government representatives to draw up the text of a draft charter of economic rights and duties of States. He did not intend to examine the progress of the work of that Group, known as the “Group of 40”. That was unnecessary since its work was described in detail in the reports of the Group on its four sessions, the contents of which were well known to the Committee and had been analysed, supplemented and brought up to date by the Chairman of the Group in the very well documented statement he had made at the 1638th meeting of the Committee. On that subject, he would merely add, to explain the origin of the draft Charter now submitted by the Group of 77, that the representatives of third-world countries, after having carefully studied the report of the Working Group on its fourth session (TD/B/AC.12/4 and Corr.1), held in June 1974 in Mexico, had concluded that the time had come to translate into reality the recommendations which the General Assembly had made at its twenty-eighth session, namely, that the Charter should be adopted at the twenty-ninth session.

4. Taking into account the fact that the General Assembly, at its sixth special session, had reaffirmed (resolution 3202 (S-VI)) that it was “of vital importance” that the Charter be adopted at the twenty-ninth session, the Group of 77, believing moreover that the Working Group had already gathered together all the elements necessary to complete the Charter of Economic Rights and Duties of States, had unanimously decided, on 22 October 1974, to undertake to finish that task before the date fixed for the beginning of the consideration of the question in the Second Committee. As a result of persistent and unremitting efforts by the Group, it had proved possible to complete the draft Charter three weeks later and the text had immediately been circulated to the representatives of all States which were not members of the Group of 77.

5. The structure of the draft Charter was the same as that originally envisaged, and he would describe its broad outlines. The preamble enumerated the fundamental purposes of the instrument; special mention should be made of the purpose defined in the document itself, namely “to codify and develop rules for the establishment of the new international economic order, based on equity, sovereign equality, interdependence, common interest and cooperation among all States, irrespective of their economic and social systems”.

6. Chapter I, as indicated in the title, was intended to reaffirm a number of fundamentals of a politico-legal
nature which must be strictly respected if genuine justice and genuine equity were to be established in international economic relations.

7. The 28 articles which made up chapter II, set out the principal economic rights and duties of States which it had been decided to establish and define clearly in the Charter, although that did not signify that the list was exhaustive.

8. Chapter III recognized what was already regarded as a general principle of law, namely, that States had certain responsibilities towards the international community, as for example with regard to certain questions with which the United Nations was concerned and which related to the law of the sea and the protection of the environment.

9. Lastly, chapter IV contained what were called “final provisions”, among which special mention should be made of article 34, the last article of the Charter, which, in order to ensure that the Charter was always well adapted to the evolving international economic situation, provided that every five years the General Assembly would carry out “a systematic and comprehensive consideration of the implementation of the Charter, covering both progress achieved and any improvements and additions which might become necessary”, and that such consideration should take into account “the evolution of all the economic, social, legal and other factors” related to the principles upon which the Charter was based and on its purpose.

10. He did not intend to analyse the content of the Charter, whose structure he had just explained and which was only too familiar to all representatives who had studied the reports of the Group, since very few new elements had been introduced. In fact, the draft Charter had been drawn up on the basis of all the paragraphs contained in the report of the Group of 40 on its fourth session which had been adopted unanimously; in cases where there had been no consensus, the alternatives proposed by the third-world countries had been used, but an effort had been made to incorporate, wherever possible, the points of view expressed in the alternatives proposed by other groups. It could be stated with confidence that the texts which had been the object of a consensus within the Group of 40 represented approximately two thirds of the draft text submitted by the Group of 77 and that the remaining third in many cases offered a good example of eclectic editing. The sponsors were therefore convinced that the Charter reproduced in draft resolution A/C.2/L.1386 would appear to any objective and impartial observer to be a balanced instrument. Its text contained rules which appeared to the sponsors—in the light of current international practice and the innumerable resolutions of the General Assembly adopted during the past five years, in particular during its sixth special session—to be the fundamental rules which should govern international economic relations in the modern world, and that although those rules had evidently been drawn up in the light not of the past but of the future. It was not, and naturally could not be, a retrograde charter, but on the contrary a progressive charter.

11. The draft Charter met the needs of international society, both at the current time and in the immediate future. On the one hand, it included elements which had not lost their force; on the other hand, its aim was to resolve new problems in a manner which would be in keeping with the legitimate interests of all members of that international society. He thought that the draft Charter was based on an agreement which was characterized perhaps by being the most broadly representative and the most impartial which it was possible to achieve in the current circumstances. While it was true that the Charter’s principal objective was to contribute to the strengthening of an economic order which was less unjust and less unfavourable to that section of mankind which was more deprived because of defective economic structures—structures which had permitted the impoverishment of two thirds of the world population—the establishment of a more equitable universal régime would undoubtedly benefit not only the developing States but also the developed States. He was convinced that if the rich countries had a proper understanding of their own interest, they would be led to accept that basic instrument, since the best guarantee of a stable peace lay in the possibility of closing the gap which separated the poverty of some from the wealth of others. The fact that positions had been stubbornly defended for more than 100 years by some developed countries did not necessarily give them any legal value and still less any moral justification. It was essential to take cognizance of the fact that the world was approaching the end of the twentieth century and that the nineteenth century was long since over.

12. If the urgent need to consolidate new structures capable of subjecting the irrational forces of history to the demands imposed by the security, welfare and even survival of the human race was recognized, if it was considered impossible to postpone the search for a genuine remedy to the alarming situation in which the world found itself and to be content with mere palliatives with illusory and ephemeral effects, there should be no difficulty, either legal or economic, in accepting the provisions of the Charter. In the case now in question, as in so many problems which afflicted mankind, only the political will might be lacking. He hoped that that would not be the case.

13. Although the Charter, as the list of sponsors of the draft resolution testified, was supported by the overwhelming majority of Member States, the Group of 77 was not submitting it to the Committee as a final and immutable document, but was prepared to undertake negotiations in good faith and to consider any reasonable and well-founded proposal. For that reason the Group of 77, when agreeing on the introduction of the draft Charter, had also decided to empower the 22-delegation contact group, which had been established earlier, to act on its behalf in any negotiations which other groups sought to initiate, on the understanding that the results of the negotiations should be submitted for final approval to the full Group of 77.

14. He said that he frankly hoped, however, that, in view of the short time available, the talks would be as brief as possible and that any proposals submitted for amending the text or deleting parts of it would take full account of two considerations. First, proposals should be limited to issues which their sponsors held to be essential, because it would obviously be neither feasible nor constructive, in view of
on all the matters which had been left in suspense by the Group of 40; secondly, it should be borne in mind that there were issues, such as all those affecting sovereignty and the privileges inherent in it, which were not and could not be negotiable.

15. It would, of course, be best if the Charter could be approved unanimously or at least become the subject of genuine consensus. Certainly, neither unanimity nor consensus could emerge except as the product of a common effort to achieve a compromise between divergent views. In that connexion, he emphasized that the developing countries had already made very substantial concessions and that it remained for the developed countries to make their contribution. Should both unanimity and consensus prove impossible to achieve, those who had insurmountable objections to certain provisions of the Charter could ask for a separate vote on them with a view to putting their position on record without necessarily refusing to support the Charter as a whole.

16. At a time when the Committee was approaching what would be, it was hoped, the successful culmination of the difficult work which had begun in Santiago in the spring of 1972, it seemed appropriate to remember the words then used by the President of Mexico when, speaking of the fundamental reasons for the proposal to adopt a charter of economic rights and duties of States—a proposal which the third world was later to endorse with such enthusiasm—he had stated that “to construct an economy for peace is at present the first duty of the international community; to refuse to co-operate in reducing existing disparities among peoples is tantamount to refusing to translate the very principles of the United Nations into reality”.

17. He was confident that no one would fail in that duty and that the General Assembly would cause its twenty-ninth session to go down in history as the session which had given the world its first charter of economic rights and duties of States.

18. Mr. ARNAUD (Argentina), supported by Mr. SADEK (Egypt) and Mr. UDOVENKO (Ukrainian Soviet Socialist Republic), proposed that, because of the importance of adopting the Charter of Economic Rights and Duties of States, the statement of the representative of Mexico should be reproduced in extenso in the summary record of the meeting.

19. Mr. CHUANG Yen (China) said that the proposal to formulate a charter of economic rights and duties of States made by the President of Mexico at the third session of UNCTAD had been supported by a great majority of countries. China was no exception, because it held that such a charter would greatly assist the third-world countries to safeguard their State sovereignty, control their national resources and develop their national economies. In the two years during which the Charter was being drafted, the world economic situation had undergone profound changes. The third-world countries had grown more united in their struggle against monopolies and against colonialist and imperialist exploitation, in particular, that of the super-Powers. They had successfully defended their sovereignty over their oil resources and had been able to secure reasonable prices. Thanks to the united efforts of those countries, the General Assembly had adopted at the sixth special session the Declaration and the Programme of Action on the establishment of a just and reasonable international economic Order. In their fight to safeguard their economic and political independence, the third-world countries had pushed the struggle against imperialism and hegemony to a new stage. The Charter, as it stood, favoured the struggle of those States to safeguard their State sovereignty and their economic rights and interests. Obstacles had arisen, however, as the super-Powers tried by every means in their power to preserve their privileges and interests and to maintain the old international economic order based on exploitation, plunder and inequality. Nevertheless, the draft document before the Committee contained substantive articles reflecting the legitimate demands of the developing countries. Unfortunately, it also contained articles which were the product of compromises and some which were harmful to the establishment of a new international economic order. The sponsors of the draft Charter, in fact, still had differences about those articles, which should be amended or deleted after discussion.

20. His delegation believed that article 15, which dealt with disarmament, should be deleted. The Soviet Union had for years been championing disarmament and demanding that the funds released should be used to assist the developing countries. In practice, however, the super-Powers had not reduced their armaments and had not saved a single rouble or dollar to assist those countries. On the contrary, they were continuing their arms race and desperately trying to preserve the old international economic order, which was detrimental to the interests of the third-world countries. Those countries, together with some which were more developed, were all being subjected to aggression and threats. Such countries, given the tension deliberately created by the super-Powers, could not but strengthen their defence capacities, and disarmament would merely put them at the mercy of the aggressors and oppressors. The talk of one super-Power about utilizing the funds saved by so-called reduction of military budgets to provide assistance to the developing countries was demagogic propaganda designed to enable it better to pursue its policy of aggression and expansion. Article 15 had no place in a serious document such as the Charter. Objectively, it would merely serve to cover up the arms race in which the super-Powers were engaged, their preparations for war and their contention for hegemony to the detriment of other countries. At the sixth special session of the General Assembly and at the World Food Conference the representatives of the Soviet Union had done their utmost to have articles of the same type as article 15 included in the declarations and programmes of action adopted; they had failed because of the opposition of many countries who made the issue one of principle. Disarmament was a highly controversial question which should be discussed at meetings held specially for that purpose. If the Soviet representative insisted on having article 15 stand, he would merely be revealing his real intention, which was to provoke controversy and disrupt the progress of the drafting work. One could not expect the super-Powers to lay down their butcher’s knives and become Buddhas overnight; nevertheless, if some friends of his delegation considered it necessary to define the obligations of the super-Powers, he suggested that the wording of article 15 should be amended to read: “The super-Powers have the
obligation to provide the developing countries with economic and technical assistance free from any conditions and to refrain from seeking super-profits through open or disguised oppression and plunder by political, economic, military or any other means”.

21. Similarly, his delegation believed that article 20, which stated that developing countries should grant the socialist countries conditions for trade not inferior to those granted normally to the developed market-economy countries should be deleted. Article 4 provided that every State had the right to engage in international trade and other forms of economic co-operation, irrespective of any differences in political, economic and social systems. Since there were differences in social systems among the Member States of the United Nations, it was unnecessary to make special mention of the socialist countries. Moreover, the super-Power which insisted on having that article included in the draft resolution was pursuing socialism in words but imperialism in deeds. By asking the developing countries to grant it conditions for trade not inferior to those granted to the developed market-economy countries, it was espousing the doctrine of “open door and equal opportunity for all” within the framework of the struggle between the newer and the old-style imperialists for spheres of influence.

22. His delegation held that the most-favoured-nation treatment, which was the subject of article 26, was irrational as a basis for trade. It was within the sovereign right of the States concerned to grant or refuse that treatment. The super-Power which had insisted that the most-favoured-nation clause should become a basic principle of the Charter was eager to obtain preferential trade treatment from another super-Power. To that end it had not scrupled to sell out the interests of the Palestinian and other Arab peoples by promising to send tens of thousands of emigrants to Israel every year and so to provide Israel with future soldiers for its aggressive wars. That super-Power had no right to impose the introduction of an irrational element into the Charter, and he requested that article 26 should be redrafted accordingly. It was his hope that Member States would make the Charter of Economic Rights and Duties of States a document which basically conformed to the fundamental interests of all countries, particularly those of the developing countries. In conclusion, he stated that the traitorous Lon Nol clique, which had been imposed on the Cambodian people and which had usurped the seat it was occupying in the United Nations, was not entitled to be a sponsor of draft resolution A/C.2/L.1386.

23. Mr. Jankowitsch (Austria) said that he wished to pay a tribute to U Thant, whose mortal remains were lying in state in the building which for many years had been the centre of his life. His intention was not to retrace the career of the third Secretary-General of the United Nations but simply to recall the greatness and goodness of a statesman whose efforts had not always been sufficiently appreciated. His personality had made him eminently suited to the post of Secretary-General and he had always demonstrated the requisite imagination and, above all, patience. The inter-

24. His delegation had listened with particular interest to the statement of the representative of Mexico introducing draft resolution A/C.2/L.1386 and the report presented earlier by the Chairman of the Group of 40, which had been entrusted with the task of elaborating the elements of a Charter of Economic Rights and Duties of States. Although not a member of the Group of 40, Austria had been closely observing its work. It believed that the growing interdependence of States in the economic sphere required close international co-operation based on generally accepted and respected principles and rules of international economic behaviour.

25. In the light of those considerations, the Austrian Minister for Foreign Affairs had said, on 26 September 1974 in his statement in the general debate (2244th plenary meeting), that the proposed Charter could point the way to the renewal of international economic co-operation and had expressed the hope that at its twenty-ninth session the General Assembly would reach a consensus on that text. That would constitute an essential element in the elaboration of a system of collective economic security, a system which also required that all States should be ready to assume collective economic responsibility. At the sixth special session of the General Assembly, on 22 April 1974 (2224th plenary meeting), the speaker for his country, who had since become the President of the Republic of Austria, had likewise stressed the importance he attached to that Charter and stated that it could become a code of conduct for all Member States.

26. The Austrian delegation wished to pay a tribute to the efforts made by the Mexican delegation to give shape and substance to the proposal submitted by the President of Mexico at the third session of UNCTAD. It wished also to express its appreciation to the representatives of other countries who had contributed decisively to the elaboration of texts that had formed the basis of draft resolution A/C.2/L.1386. It was particularly grateful to the sponsors for the efforts they had made to take into account suggestions put forward at various stages of the negotiations and consultations which had preceded the preparation of the draft. The draft undoubtedly constituted a major step in the direction of the formulation of a charter which would take into consideration the legitimate interests of all members of the international community and provide a basis for the development of international economic relations for the benefit of all countries, in particular the developing countries. His delegation considered that draft resolution A/C.2/L.1386 constituted a positive development. However, it had some reservations with regard to certain provisions. The problems to which he referred had already been discussed in the Group of 40 and in informal consultations. Unfortunately, it had not yet been possible to reach generally acceptable solutions. Nevertheless, his delegation hoped that, thanks to the efforts made at the current session of the General Assembly, the largest possible number of countries would be able to associate themselves with the new Charter and its basic objectives.

27. Mr. Pitarka (Albania) stressed the importance of the work of the Group of 40 in evaluating the work of the Committee on Economic, Social and Cultural Rights and in deciding how to incorporate the latter into the United Nations Charter, adding that the whole point of the Committee was that it would provide a reference point for the development of international law. It was also a vital step in the direction of harmonization of international law, which represented the highest common denominator in the world. The Albanian delegation hoped that the new Charter of Economic Rights and Duties of States would be a code of conduct for Member States and that the existing international law would be developed in accordance with the principles laid down in the new Charter.
an instrument of the imperialist policy of the United States. That very week the plenary Assembly was to consider the question of the restoration of the lawful rights of the Royal Government of Prince Norodom Sihanouk in the United Nations and the expulsion of the representatives of the clique currently in power at Phnom Penh. For that reason, it was clear that the Second Committee could not include the name of the so-called Khmer Republic among the sponsors of one of its draft resolutions.

28. The CHAIRMAN, acting in conformity with the decision taken by the Second Committee, invited the Secretary of CMEA to make a statement.

29. Mr. FADDEYEV (Secretary of the Council for Mutual Economic Assistance), speaking on behalf of the members of the Council, thanked the United Nations General Assembly for deciding at its current session to grant CMEA the status of an official observer.

30. CMEA, which was celebrating its twenty-fifth anniversary during the current year, comprised nine countries of Europe, Asia and Latin America. Its objectives included the strengthening of co-operation among the member countries, the integration and planned development of their economies and the acceleration of scientific and technical progress, within the framework of the international socialist division of labour and in harmony with the division of labour prevailing in the rest of the world.

31. Another aim of CMEA was the achievement of a higher level of industrialization of the less industrialized countries, the continuous growth of productivity, the evening out of the economic development levels of member countries and the steady improvement of the living standards of their peoples. That broad economic co-operation contributed, in the view of the members of CMEA, to the attainment of the goals set forth in the Charter of the United Nations.

32. That co-operation was based on truly democratic principles such as equality among States, respect for their sovereignty, independence and national interests, and non-interference in their internal affairs. Moreover, co-operation among the States members of CMEA was entirely voluntary and did not entail the establishment of supra-national bodies. The decisions and recommendations of the Council could be taken only with the consent of the countries concerned.

33. Currently CMEA was concentrating its efforts mainly on the implementation of the Comprehensive Programme for the further extension and improvement of co-operation among its members and the development of the integration of their economies, which should be completed within about 20 years. That process of integration, as it developed, made it possible to harmonize the economic structure of the member countries, to modernize it, to increase its efficiency and to establish stable relationships between the major branches of the economy, science and technology. It had also enabled CMEA member countries to expand their international markets.

34. Within that broader context of integration, special efforts were being made to ensure the accelerated growth and improve the efficiency of the economy of the Mongolian People's Republic, taking into account its natural resources and economic conditions. For example, Bulgaria, Hungary, Poland, the USSR and Czechoslovakia were co-operating in the development in Mongolia of a vast industrial and residential complex in an area which until recently had been little more than a desert.

35. The CMEA member countries were carrying out joint planning activities to achieve the major national economic objectives envisaged in the Comprehensive Programme. In their view, co-operation in planning was the most effective form of co-operation and the form most conducive to extending the international socialist division of labour.

36. Over the past 25 years the CMEA member States had made significant progress in the economic, scientific and technical fields and in the construction of socialism and communism. Those States, whose combined area constituted 18.5 per cent of the total world area and whose population constituted 9.6 per cent of the world total, accounted for about 33 per cent of world industrial production, whereas in 1950 the corresponding figure had been roughly 18 per cent. Those spectacular results had been achieved despite the fact that 25 or 30 years earlier some of those countries had been economically underdeveloped and that, in addition, many of them had suffered the ravages of the Second World War and had had to undertake the process of reconstruction in conditions further aggravated by the economic blockade imposed by the imperialist countries.

37. The total national income produced by the CMEA countries in 1973 was eight times higher than in 1948, industrial production was more than 12 times higher and total agricultural output was more than 2.5 times higher. The standard of living of the working people had considerably improved and the socialist countries now had powerful resources in the scientific and industrial fields and also in raw materials.

38. It was important to stress that it was in the countries which had once been less developed economically that the highest rates of economic growth had been recorded in recent years. Thus the national income of the Socialist Republic of Romania was now 13 times higher than it had been 25 years earlier and its gross industrial output had increased 28 times since 1948. In the same period the gross industrial output of the People's Republic of Bulgaria had increased 17 times.

39. During the 1950s the socialist countries had undertaken joint efforts to solve their energy problems. The most important of those efforts was the construction of the "Druzhba" oil pipe-line which had so far made it possible to transport over 250 million tons of Soviet petroleum to Poland, Czechoslovakia, Hungary and the German Democratic Republic, thus meeting nearly all the petroleum requirements of those countries. As to the question of gas supplies, an agreement had been concluded by the States members of CMEA for the joint exploitation of a Soviet gas field and the construction of a gas pipe-line having a total length of 2,750 kilometres which would be capable of carrying 15.5 thousand million cubic metres of gas annually to Bulgaria, Hungary, Poland, Romania and Czechoslovakia.
40. The socialist countries were extending a power grid known as “Mir”, and the implementation of an agreement on the joint construction of a power transmission line between the USSR and Hungary would be of considerable importance to the further development of that grid. Those countries were also co-operating in working out long-term programmes for the development of the production of the principal types of fuel and power to meet their requirements until the year 2000. Co-operation in the construction of nuclear power stations also continued to increase. As a result of those efforts, CMEA member countries were protected against any energy crisis.

41. In those States, social relations were founded on equality, comradeship and mutual assistance, socialist ethics and justice. The workers of the CMEA countries were actively involved in running society and production and effectively exercising their right to work, rest and education.

42. Faithful to the principles of peaceful coexistence of States with different social and economic systems, the CMEA member countries had co-operated, were co-operating and were ready to co-operate with non-members of CMEA, irrespective of their social or economic system, on the basis of equality, mutual benefit and non-interference in each other’s internal affairs. Thus the Socialist Federal Republic of Yugoslavia had been co-operating with CMEA member countries for the past 11 years. Similarly, countries that were not members of CMEA might fully or partially participate in the implementation of the Comprehensive Programme of socialist economic integration.

43. The democratic principles governing the activities of CMEA and the successes achieved by member countries in economic, scientific and technical development were increasingly attracting the attention of other countries. In May 1973 an agreement on co-operation had been signed between CMEA and Finland on questions of mutual interest, and other countries were likewise showing an interest in co-operation with the Council.

44. The Council had also established relations with many United Nations bodies and with the regional organizations of developing countries. Such contacts had helped in providing information to the international community about the aims and methods of CMEA and about the results of the implementation of the Comprehensive Programme, and they had also enabled the Council to benefit from the experience of the United Nations bodies.

45. CMEA attached special importance to the further expansion of trade and scientific and technical co-operation with the developing countries. From 1950 to 1973, the trade of CMEA members with developing countries had increased by more than 17 times; whereas in 1952 the CMEA member countries provided economic and technical assistance to 34 developing countries of Asia, Africa and Latin America, they were now providing such assistance to 64 countries. Some 2,900 national projects had been or were being built in developing countries with the assistance of CMEA. It was estimated that the socialist countries had provided approximately 11 thousand million roubles in credits to developing countries. From 1974, a special fund to provide credits for financial assistance projects for developing countries would be set up at the International Investment Bank.

46. Economic and technical assistance of the CMEA members to developing countries was primarily intended to set up and develop their national economy and to strengthen the public sector, which would help to promote their economic independence and increase the role of planning in their economy.

47. The CMEA member countries were helping new States in the development of their natural wealth. Thus Iraq, the Syrian Arab Republic and India had been helped to establish a national oil industry, and about 650 projects related to the development of power and utilities were being built in the developing countries with the assistance of the CMEA countries.

48. The CMEA countries were also helping actively in the training of national personnel in the developing countries. At present there were over 25,000 students from more than 100 developing countries who were studying in higher institutions and technical schools in the CMEA countries. Fellowships were also being granted by CMEA.

49. It was a characteristic feature of the economic and technical assistance provided by the CMEA countries to developing nations that they did not seek control over the economy of the new independent States or other privileges and advantages that would be incompatible with the concept of national sovereignty. Relations between the socialist States and the developing countries had from the very outset been based on the progressive principles stated in the decisions adopted by the General Assembly at its sixth special session.

50. He would like to point out that the CMEA member countries were actively co-operating with the developing countries in the elaboration of the draft Charter of Economic Rights and Duties of States. In that connexion he would like to emphasize that the adoption of the proposal made by the socialist countries of a reduction of the military budgets of the five States permanent members of the Security Council by 10 per cent would make it possible to increase the aid furnished to the developing countries.

51. The process of international détente, particularly in Europe, had resulted in the establishment of mutually beneficial economic links between the CMEA member countries and the economically developed capitalist countries. The socialist countries hoped that such relations, free from discrimination and inequality, could be extended.

52. The CMEA member countries, which were free to choose their political and economic systems, control their natural resources and determine their foreign economic policy, took an active part in the search for ways to solve the world’s most pressing economic problems.

53. In conclusion he wished to state that his organization would put good use the status of observer granted to it in order further to develop and extend the co-operation between CMEA and the United Nations. The Council would welcome the opportunity of further developing its co-operation with the CMEA member countries.
strengthening of peace throughout the world; it would facilitate the implementation of principles of peaceful coexistence and co-operation among all countries, regardless of their social and economic systems; it would promote the development of equal and mutual beneficial co-operation in the fields of trade, economy, science and technology, and it would contribute to solution of problems resulting from poverty and economic backwardness, in order to ensure social and economic development and progress on a world-wide basis.

54. Mr. KANE (Mauritania) said that his delegation had not been present when the list of sponsors of draft resolution A/C.2/L.1386 had been drawn up, and had not been consulted on the question whether a certain country should be included in the list. Mauritania had no relations with the alleged Khmer Republic and did not intend to have any. He had serious misgivings as to whether the list of sponsors of the resolution should include the so-called Khmer Republic, whose Government represented no one but itself and was an instrument of the imperialist Powers.

Mr. Hamid (Sudan) took the Chair.

55. Mr. HOSNY (Egypt) thanked the representative of CMEA for his remarkable statement and congratulated the General Assembly on its decision, taken a few weeks ago, to grant CMEA the status of observer. Egypt had already had occasion to avail itself of the aid of socialist countries and a fruitful co-operation had been established between it and those countries. The construction of the Aswan Dam was but one example of the advantages Egypt could derive from such co-operation.

AGENDA ITEM 12


WORLD POPULATION CONFERENCE (continued)*

(A/9603/ADD.1 (PART IV), A/C.2/L.1387 AND 1388)

56. Mr. AWANG (Malaysia) said that population questions had at last been brought out into the light of day at the World Population Conference at Bucharest (19-30 August 1974), and Governments had been able to give those questions the importance that was due to them and to place them in their proper perspective.

57. It had become clear that population questions were not an insolated group but formed part of social and economic development. Furthermore, the responsibility of countries in their selection of an appropriate demographic policy had been clearly recognized. The Malaysian Government had accepted the principle of family planning, although in Malaysia the rate of population increase was not disproportionate to the country’s resources, and it had decided that until 1985 the rate of annual increase should be reduced from 3 per cent to 2 per cent. That decision, which had been announced in the second Malaysian development plan, made family development one of the elements of the Malaysian development efforts.

58. The adoption of the World Population Plan of Action was the most important result of the Conference. In order not to slow down the impetus gained at the Bucharest Conference, United Nations organizations should act promptly on the decisions that had been taken by it. Apart from the Plan of Action the Conference had adopted 21 resolutions and four recommendations, which indicated the measures to be taken at the national, regional and international levels by the various United Nations bodies. The Economic and Social Council would have to examine the report of the Conference at its fifty-eighth session in April 1975. Draft resolution A/C.2/L.1388 was being submitted by a number of delegations, including the Malaysian delegation, to prepare the way for that examination. The list of sponsors of the resolution should also include Guyana, Mexico and Sri Lanka.

59. The sponsors of the draft resolution had tried to use the terminology of the World Population Plan of Action as far as possible, in order to avoid controversy and gain wide support. Thus, the first part of the third preambular paragraph reproduced verbatim the beginning of paragraph 14 (c) on the principles and objectives of the Plan of Action, while the second part of that preambular paragraph was taken from chapter I, paragraph 1. The fourth preambular paragraph was a condensation of paragraphs 14 (j) on the principles and objectives of the Plan.

60. Paragraph 3 put the population issues into proper perspective by affirming the principles adopted at Bucharest. The first part of paragraph 3 was the last part of paragraph 1 of the Plan of Action, while the last part was from the preamble to the Plan. Paragraph 4 was consonant with section D of the Plan of Action on the role of Governments. The sponsors attached great importance to paragraph 5, which marked the beginning of the involvement of the competent agencies in the implementation of the Plan of Action.

61. Paragraph 7 related to the Population Commission, which, as the members would recall, had been designated by the Economic and Social Council as the intergovernmental preparatory body for the Conference and the World Population Year. The Commission naturally had some thoughts on the results of the Conference, having been closely involved in all of its stages. With regard to paragraph 9, he explained that the sponsors were not asking the Economic and Social Council to hold an annual intersessional meeting but merely asking it to consider the desirability of holding such a meeting. It was clear from General Assembly resolution 3019 (XXVII) that the Economic and Social Council should be the policy-guiding body on population matters, and the momentum should be kept going. At the same time, the sponsors hoped that the capacity of the relevant units of the United Nations Secretariat would be strengthened. However, paragraph 10

* Resumed from the 1636th meeting.


5 Ibid., chap. II.