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STUDY OF THE PROBLEMS OF RAW MATERIALS AND DEVELOPMENT

Draft proposal by Afghanistan, Algeria, Argentina, Bahrain, Barbados, Bhutan, Bolivia, Botswana, Brazil, Burma, Burundi, Cameroon, the Central African Republic, Chad, Chile, Colombia, Congo, Costa Rica, Cuba, Cyprus, Dahomey, the Democratic Yemen, the Dominican Republic, Ecuador, Egypt, El Salvador, Equatorial Guinea, Ethiopia, Fiji, Gabon, Gambia, Ghana, Guatemala, Guinea, Guyana, Haiti, Honduras, India, Indonesia, Iran, Iraq, Ivory Coast, Jamaica, Jordan, Kenya, the Khmer Republic, Kuwait, Laos, Lebanon, Lesotho, Liberia, the Libyan Arab Republic, Madagascar, Malawi, Malaysia, Mali, Mauritania, Mauritius, Mexico, Morocco, Nepal, Nicaragua, Niger, Nigeria, Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Qatar, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Singapore, Somalia, Sri Lanka, Sudan, Swaziland, the Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Uganda, the United Arab Emirates, the United Republic of Tanzania, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia

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Declaration on the Establishment of a New International
Economic Order

We, the Members of the United Nations,

Having convened in a special session of the General Assembly for the first time to study the problems of raw materials and development, devoted to the consideration of the most important economic problems facing the world community, bearing in mind the spirit, purposes and principles of the Charter of the United Nations to promote the economic advancement and social progress of all peoples, solemnly proclaim our united determination to work urgently for

THE ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER

based on equity, sovereign equality, interdependence, common interest and co-operation among all States, which shall correct inequalities and redress existing injustices, make it possible to eliminate the widening gap between the developed and the developing countries and ensure steadily accelerating economic and social development for present and future generations.

1. The greatest and most significant achievement since the foundation of the United Nations has been the independence from colonial and alien domination of a large number of peoples and nations which has enabled them to become members of the community of free peoples. Technological progress has also been made in all spheres of economic activities in the last three decades, thus providing a solid potential for improving the well-being of all peoples. However, the remaining vestiges of alien domination, colonialism, foreign occupation, racial discrimination, apartheid and neo-colonialism in all its forms continue to be the greatest obstacles to the full emancipation and progress of the developing countries. The benefits of technological progress are not shared equitably by all members of the international community. The developing countries which constitute 70 per cent of the world population account for only 30 per cent of the world's income. It is not possible to achieve an even and balanced development of the international community under the existing international economic order. The gap between the developed and the developing countries continues to widen in a system that was established at a time when most of the developing countries did not even exist as independent States and which, by all its elements, perpetuates inequality.

2. The present international economic order is in direct conflict with current developments in international political and economic relations. Since 1970, the world economy has experienced a series of grave crises which have had severe repercussions, especially on the developing countries because of their generally greater vulnerability to external economic impulses. The developing world has become a powerful factor that makes its influence felt in all fields of international activity. These irresistible changes in the relationship of forces in the world necessitate the active, full and equal participation of the developing countries in the formulation and application of all decisions that concern the international community. /...

3. All these changes have thrust into prominence the reality of interdependence of all the members of the world community. Current events have brought into sharp focus the realization that the interests of the developed countries can no longer be isolated from the interests of the developing countries; that there is close interdependence between the prosperity of the developed and the growth and the development of the developing countries, and that the prosperity of the international community as a whole depends upon the prosperity of its constituent parts and international development is a shared and common responsibility of all countries. Thus the political, economic and social well-being of present and future generations depends more than ever on co-operation between all members of the international community on the basis of sovereign equality and the removal of the disequilibrium that exists between them.

4. The new international economic order should be founded on full respect for the following principles:

(a) Sovereign equality of States, self-determination of all peoples, inadmissibility of the acquisition of territories by force, territorial integrity and non-interference in the internal affairs of other States;

(b) Broadest co-operation of all the member States of the international community, based on equity, whereby the prevailing disparities in the world may be banished and prosperity secured for all;

(c) Equal participation of all countries in the solving of world economic problems in the common interest of all countries, bearing in mind the necessity to ensure the accelerated development of all the developing countries, while devoting particular attention to the adoption of special measures in favour of the least developed, land-locked and island developing countries as well as those developing countries most seriously affected by economic crises and natural calamities, without losing sight of the interests of other developing countries;

(d) Every country has the right to adopt the economic and social system that it deems to be the most appropriate for its own development and not to be subjected to discrimination of any kind as a result;

(e) Every country has the right to exercise permanent sovereignty over its natural resources and all economic activities. With this principle in mind:

(i) Every country has the right to exercise effective control over its natural resources and their exploitation with means suitable to its own situation, including the right of nationalization or transfer of ownership to its nationals;

(ii) The right of all States, territories and peoples under foreign occupation, colonial rule or apartheid, to restitution and full compensation for the exploitation and depletion of, and damages to, the natural resources, as well as the exploitation and manipulation of the human resources of those States, territories and peoples; /...

- (iii) Nationalization is an expression of the sovereign right of every country to safeguard its resources; in this connexion, every country has the right to fix the amount of possible compensation and mode of payment, while possible disputes have to be solved in accordance with the domestic laws of every country.

This principle may be applied according to the national interests and laws of each country. It shall in no way affect the right of all States to conclude, in the free exercise of their sovereign will, agreements consonant with the purposes and principles of the United Nations.

(f) Control of the activities of transnational corporations by taking measures in the interest of the national economies of the countries where such transnational corporations operate on the basis of the full sovereignty of those countries;

(g) Right of the developing countries and the peoples of territories under colonial and racial domination and foreign occupation to struggle for their liberation and for the purpose of regaining effective control over their natural resources and economic activities;

(h) Extending of assistance to developing countries, peoples and territories under colonial and alien domination, foreign occupation, racial discrimination, apartheid or which are subjected to coercion, economic aggression or political pressure and neo-colonialism in all its forms and which have established or are endeavouring to establish effective control over their natural resources and economic activities that have been or are still under foreign control;

(i) Establishment of a just and equitable relationship between the prices of raw materials, primary products, manufactured and semi-manufactured goods exported by developing countries and the prices of raw materials, primary commodities, manufactures, capital goods and equipment imported by them with the aim of improving their terms of trade which have continued to deteriorate;

(j) Extension of active assistance to developing countries by the whole international community;

(k) Establishment of a new international monetary system one of whose main objectives is the promotion of development of the developing countries;

(l) Improving the competitiveness of natural materials facing competition from synthetic substitutes;

(m) Preferential and non-reciprocal treatment for developing countries in all fields of international economic co-operation, wherever possible;

(n) Securing favourable conditions for the transfer of financial resources to developing countries;

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(o) To promote the transfer of technology and the creation of indigenous technology for the benefit of the developing countries in forms and in accordance with procedures which are suited to their economies;

(p) Necessity for all States to put an end to the waste of natural resources including food products;

(q) The need for developing countries to concentrate all their resources for the cause of development;

(r) Strengthening - through individual and collective actions - of mutual economic, trade, financial and technical co-operation among the developing countries on a preferential basis;

(s) Establishment and strengthening by developing countries of producers' associations in respect of major primary commodities of importance to the world economy.

5. The unanimous adoption of the International Development Strategy for the Second Development Decade was an important step in the promotion of international economic co-operation on a just and equitable basis. The accelerated implementation of obligations and commitments assumed by the international community within the framework of the Strategy, particularly those concerning imperative development needs of developing countries, would contribute significantly to the fulfilment of the aims and objectives of the present Declaration.

6. The United Nations is the only universal organization capable of dealing with problems of international economic co-operation in a comprehensive manner and ensuring equally the interests of all countries. It must have an even greater role in the establishment of a new international economic order. The Charter of the Economic Rights and Duties of States, for the preparation of which this Declaration will provide an additional source of inspiration, will constitute a significant contribution in this respect. All the Member States of the United Nations are therefore called upon to exert maximum efforts with a view to securing the implementation of this Declaration which is one of the principal guarantees for the creation of better conditions for present and future generations to live in peace and well-being worthy of human dignity.

7. This Declaration on the Establishment of a New International Economic Order shall be one of the most important bases of economic relations between all peoples and all nations.