Expanded Number: S-0972-0003-03-00001

Title: Items-in-Agenda and statements made at Fourth Summit of heads of state/government of non-aligned countries

Date Created: 12/05/1973

Record Type: Archival Item

Container: S-0972-0003: External Relations - organizations
AFRICAN DECLARATION ON CO-OPERATION,

DEVELOPMENT AND ECONOMIC INDEPENDENCE

Abidjan, 12 May 1973
PREAMBLE:

We the Heads of State and Government of African countries assembled in Addis Ababa on 25 May 1973 on the occasion of the Tenth Anniversary of the Organization of African Unity;

Reaffirming the principles and objectives laid down in the Charter of 25 May 1963 establishing the Organization of African Unity;

Reaffirming the total commitment of our States to the provisions of the Algiers Charter, to the Declaration of Lima, to the African Declaration on Industrialization, to the OAU Declaration on the United Nations Conference on Trade and Development and to the African development priorities as defined by the Addis Ababa memorandum;

Recalling the relevant resolutions of the Organization of African Unity, the Economic Commission for Africa, and the African Development Bank;

Considering the profound and legitimate aspirations of our peoples;

Concerned by the ever-deteriorating economic and social position of the developing countries in relation to the developed countries and convinced of the constantly widening gap between the developed and developing countries;

Believing that the continuance of such a state of affairs generates a deep feeling of frustration with predictably serious consequences for peace and international security;

Concerned by the ineffectiveness of the measures adopted during the past decade to combat under-development and by the inability of the international community to create conditions favourable for the development of Africa;
Convinced that the mobilization of the continent's immense human resources in order to stimulate and orientate the creative spirit of Africans can lead to a rapid transformation of our economies and raise our peoples' standard of living;

Convinced that the effective mobilization of the vast natural resources of the continent will be greatly facilitated by a high degree of economic integration; that regional co-operation is not only an indispensable instrument of regional integration but provides a means of co-ordinating and strengthening the position of African countries in their relations with the outside world and thus enables them to play an effective role in influencing the international context so as to foster the creation of conditions more favourable for development;

Believing that neither language differences nor differences of economic size or structure constitute insurmountable obstacles to economic co-operation and regional integration, and that all barriers to intra-African co-operation, especially those which are remnants of colonialism or by-products of the vertical relations of dominance exercised over Africa by the developed countries, can be eradicated;

Believing that the prospects of far-reaching changes in the international environment, the important events taking place in the world and the efforts being made to find durable solutions to long-standing problems offer African countries an exceptional opportunity to establish a concerted approach and to participate fully in the establishment of a more equitable international order in the economic, commercial and monetary fields;

Aware of the serious threat arising from the constant wish of the developed countries to reserve themselves, particularly in Africa, spheres of influence that are not only political but also economic, and determined to defend the economic independence of Africa;
Convinced that the developing countries, by strengthening their common front, are capable of achieving their development targets;

Solemnly proclaim our firm determination to achieve the economic independence and development of the continent through the effective mobilization of its immense human and cultural resources;

Decide, therefore, to adopt the present Declaration setting out the basic principles of collective and individual action by all African countries on Co-operation, Development and Economic Independence.
AFRICAN ECONOMIC CO-OPERATION AND INTEGRATION

I. MOBILIZATION OF HUMAN AND MATERIAL RESOURCES

A.1 The Governments of African countries, with a view to making maximum use of Africa's potential human and natural resources, undertake to:

Human Resources

A.2 Guarantee to the entire population the right to education and training based on African realities and provided in a form suited to Africa's need and development objectives, and take all-necessary measures to respect this right;

A.3 Direct university and higher education programmes to the training and research needed to ensure Africa's scientific and technological independence (as towards an applied research that will be required) and to effect radical changes in the economic and social environment in the interest of development;

A.4 Facilitate the free movement of persons essential for the exchange of ideas and economic integration and give priority to co-operation in the exchanges of professional manpower and skilled and unskilled labour among African countries;

A.5 Take appropriate measures to put an end to the brain drain from Africa and to prompt qualified Africans living abroad to return, with a view to the rapid phasing-out of technical assistance from outside Africa;

A.6 Accelerate the implementation of an Africanization policy in each country and ensure effective and equitable African representation in international organizations and the United Nations agencies in Africa;
A.7. Give full support, through their respective States and the Organization of African Unity, to the programmes of the Association of African Universities and other institutions for the fostering of co-operation in particular areas of training and research, most especially the teaching of African and relevant foreign languages, the extension of training facilities to meet specific shortages of middle and high-level African personnel, the investigation of economic, social, cultural, scientific and technological problems that are of particular importance for African development, and the exchange of university teachers and students;

Natural Resources

A.8. Undertake a systematic survey of all Africa's resources, with a view to their rational utilization and joint exploitation, where appropriate, in order to accelerate the continent's development;

A.9. Defend vigorously, continually and jointly, the African countries' inalienable sovereign rights and control over their natural resources;

A.10. Intensify co-operation in the multinational exploitation of rivers and lakes and basins;

A.11. Promote the exchange of information concerning the exploitation and use of water for supplying towns and industries;

A.12. Exploit, for development purposes, Africa's hydroelectric potential on a multinational, sub-regional and regional basis, wherever possible;

A.13. Intensify the use of other sources of energy such as solar and thermal energy whose utilization can be progressively substituted for that of wood and help to halt the process of land being transformed into desert and the increased incidence
A.14 Protect Africa's sea and ocean resources coming within national jurisdictions effectively and jointly from international over-exploitation (by the developed countries);

A.15 Rationally harness, on a continental basis, the research of the sea-bed and ocean floor outside national jurisdiction for the benefit of Africa's development and of its people and ensure full participation of the African land-locked countries;

II - AGRICULTURE

Promote the modernisation of African agriculture through the introduction of modern and advanced techniques in the fields of production, distribution and storage; achieve the gradual replacement of the traditional peasantry by farmers trained in modern methods; and strengthen African co-operation in this sphere with a view to exchanging experience;

A.17 Promote efforts to ensure a rapid and substantial increase in Africa's food production;

A.18 Make special efforts to expand rural infrastructure and improve the conditions in rural areas in order to raise the standard of living of the rural populations;

A.19 Provide rural extension service so that small-scale farmers can be helped to produce surpluses that can be used for the financing of processing industries;

A.20 Take necessary steps to ensure that African products are processed to the greatest possible extent in Africa prior to exportation;

III - TRANSPORT AND INFRASTRUCTURE

A.21 Accelerate the creation of a modern-inframstructure of roads, railways, airlines, inland waterways and the like which constitute the fundamental basis for development and intra-regional co-operation;
A.22 Establish, as a matter of priority, links between national road systems and the junction between these areas and the sea ports in order to facilitate the rapid transport of persons and goods, the opening up of isolated areas in each country/providing access to landlocked countries;

A.23 Eliminate all forms of obstacles to the regular movement of vehicles especially by simplifying formalities at the frontiers and harmonising highway codes and transit regulations;

A.24 Take the necessary steps to establish consortia of African shipping companies which will enable them to operate with greater efficiency, share the use of terminal and maintenance facilities, and explore in common the possibilities of technical innovation in the transportation of African exports;

A.25 Adopt a common stand in favour of early negotiations so as to obtain favourable freight rates and exert an influence on freight rate level, in respect of maritime and coastal shipping services;

A.26 Take all necessary measures to establish shippers councils in Africa and to associate landlocked countries with them as much as possible;

A.27 Set up adequate freight systems designed to promote intra-African trade and African exports;

A.28 Effectively strengthen co-operation between African airline companies with a view to the rationalization of the continent's air services, particularly as regards the harmonization of time-tables, the setting up of special reduced rates, exchange of air traffic rights, the standardization of types of aircraft used, the sharing of aircraft repair and maintenance facilities and joint organization of research and personnel training;
A.29 Intensify efforts towards the implementation of the Pan-African telecommunications network, including the eventual installation of a Pan-African satellite, and take steps to secure the standardization of equipment, the improvement and co-ordination of operational arrangements and the provision of appropriate personnel training facilities.

A.30 Define common general policies on all questions relating to intra-African postal communications problems and policies, particularly as regards the standardization and co-ordination of postal procedures and practices, and the establishment of vital intra-African postal systems;

V - INDUSTRIALIZATION

A.31 Promote the industrialization of Africa, in particular by the expansion of national markets and accelerating the development of technology, taking due account of the growing importance of transnational companies in this field;

A.32 Identify the economic regions of Africa so as to promote a systematic development of the entire continent through regional planning with national planning on a rational basis; and identify areas of common interests, so as to promote their development through planning and programming;

A.33 Take adequate measures to ensure rational industrialization, within the context of subregional and continental economic entities, on the basis of an equitable sharing-out of costs and benefits by co-ordinating industrialization policies and harmonizing development plans, paying special attention to the problems of the least developed and landlocked countries;
A.34 Organize exchanges of information among African countries on matters pertaining to industrialization, promote co-operation and assistance by competent international institutions, and take adequate steps to put an end to practices of foreign transnational companies that are contrary to Africa’s interests;

A.35 Call upon the developed countries, with a view to promoting African industries, to apply the generalized system of preferences in a loyal and non-disenchanting manner and to abolish effectively all tariff and non-tariff barriers and restrictive business practices;

A.36 Promote co-operation between developing regions, with special regard to the export of processed and semi-processed products, in order to change the vertical structure which dominates relations between developing countries and developed countries;

A.37 Promote, through a policy of training, guidance and extension services, the involvement of Africans in the industrial sector;

A.38 Adopt suitable measures to encourage the rapid transfer of appropriate techniques to Africa both from the developed market-economy countries and from the Socialist countries and their incorporation in production processes, and set up continent-wide institutions capable of promoting applied scientific research and the use of techniques resulting from local research; eliminate middlemen in the realm of imports in order to reduce the high-cost of imported products.

MONETARY AND FINANCIAL MATTERS

A.39 Take all necessary measures to promote effective monetary co-operation among African countries especially by:

(i) Organizing mutual consultation on monetary matters between African countries,

(ii) Giving a more important role to African currencies in intra-African payments,
(iii) Instituting payments arrangements among African currencies in Intra-African payments,

(iv) Setting up, at the regional or subregional level, one or more payment unions with an African external settlement fund; to this end, study in a concrete manner all possibilities of financing the fund in collaboration with appropriate international institutions.

B. Rapidly strengthen effective financial co-operation in Africa by setting up subregional capital markets, and by inviting ADB to give priority to the financing of multinational projects and those which foster African economic integration.

ENVIRONMENT

A.40 Take all necessary measures for the protection of nature and the environment which constitute one of Africa's irreplaceable resources, and to counteract the effects of natural disasters of which other countries are constant victims,

A.41 Adopt a common front to combat drought, which constitutes a threat to the entire continent.

A.42 Take all steps to ensure that tourism policies do not result in the destruction of the environment and nature in Africa, since any damage done is irremediable.

A.43 Ensure that the problems of environmental protection are seen within the context of the economic and social development of the African countries whose development policies should accordingly pay greater attention to questions of natural resource conservation and management, the improvement of physical and human conditions in urban and rural areas, and the eradication of endemic diseases which have been extensively eliminated in many
A. 44  Ensure that African countries are always guided by the principles adopted by the Stockholm Conference on Human Environment.

TOURISM

A. 45  Set up joint organizations for the promotion of the tourist trade through such measures as joint advertising, the establishment of agreed tariffs for excursions and holiday travel, and the simplification of frontier formalities to facilitate inter-State tours.
TRADING AND DEVELOPMENT FINANCING

B.1 INTRA-AFRICAN TRADE

1. (a) Intensify efforts to establish procedures and mechanisms for co-ordinating trade policies;

(b) Intensify efforts to promote co-operation in the field of the general integration of economic infrastructure, particularly through the restructuring of production structures, distribution systems and market integration on a subregional basis;

(c) Establish common trade and development institutions to consider, co-ordinate and supervise, where necessary, the implementation of agreements and arrangements among African countries on co-operation, trade and development.

II. Adopt modern marketing techniques in respect of African products with a view to promote intra-African trade;

B.2 INTERNATIONAL TRADE

1. Take the necessary precautions in international negotiations to ensure that they take place within international institutions, and that, whether they concern relations between Africa and groupings of developed countries or simply, relations with these countries individually, they are in no case treated as a pretext to subject Africa to any foreign economic power.

2. Concert and organize plan action, in advance of all negotiation with the developed countries, and in order to assess all the implications which the proposed agreements might have on the future of their economic independence, (regarded as an inviolable principle).

3. Act collectively in multilateral trade negotiations in order to safeguard the following objectives:

   (i) The adoption of effective concerted measures a definite and to the constant deterioration in the terms of trade on
of African countries;

(ii) The adoption of effective measures for the stabilization of relative prices of African commodities and for the dynamic stabilization of export earnings, in the light of the increasing needs of African countries for development financing,

(iii) The adoption of effective measures designed to lead to the vertical diversification of production so that the African countries can process their products through as many stages as possible before exporting them, it being considered that horizontal diversification consisting of the substitution of a number of primary products for a single one merely postpones the day of reckoning without solving any of the real problems;

(iv) The abolition by the developed countries of all tariff and non-tariff barriers, and the restrictive trade practices which those countries have hitherto placed in the way of the penetration of their markets by products from the African countries;

(v) Non-reciprocity in trade and tariff concessions accorded to African countries by the developed countries;

(vi) The adoption and effective implementation by all the developed countries of the generalized system of preferences, the suppression of all escape clauses, the extension of the system to cover all escape clauses, the extension of the system to cover all African exports and its adoption by all countries that have not yet done so;
of African countries;

(ii) The adoption of effective measures for the stabilization of relative prices of African commodities and for the dynamic stabilization of export earnings, in the light of the increasing needs of African countries for development financing;

(iii) The adoption of effective measures designed to lead to the vertical diversification of production so that the African countries can process their products through as many stages as possible before exporting them, it being considered that horizontal diversification consisting of the substitution of a number of primary products for a single one merely postpones the day of reckoning without solving any of the real problems;

(iv) The abolition by the developed countries of all tariff and non-tariff barriers, and the restrictive trade practices which those countries have hitherto placed in the way of the penetration of their markets by products from the African countries;

(v) Non-reciprocity in trade and tariff concessions accorded to African countries by the developed countries;

(vi) The adoption and effective implementation by all the developed countries of the generalized system of preferences, the suppression of all escape clauses, the extension of the system to cover all escape clauses, the extension of the system to cover all African exports and its adoption by all countries that have not yet done so;
(vii) the conduct of negotiations by groups of products and not individual product;

(viii) the completion of negotiations within a reasonable period.

B.3 DEVELOPMENT FINANCING

(i) Mobilize Africa's domestic resources rapidly and effectively so as to serve as the main basis of African development;

(ii) Encourage, in every way, efforts directed towards African participation in investment in all sectors, so as to ensure effective national control of the economy; take direct charge of the creation and development of key sectors of the economy to ensure their effective control in the interests of national development;

(iii) promote the establishment of continent-wide insurance and reinsurance institutions and a Pan-African Insurance and Reinsurance Company;

(iv) take measures to ensure that foreign private investment respects national priorities drawn up by the African States;

(v) Co-ordinate national legislations in the field of investment policy to avoid competition among African countries in offering foreign investors conditions for establishment and tax concessions that are liable to be prejudicial to African economies with the aim of preparing the elements for a single investment code for all African countries;

(vi) Take measures to reduce expenditure on research and studies provided by the developed countries which absorb a very large proportion of foreign aid and ensure that the costs of such studies are borne by donor countries and not counted as part of the credit element of the aid
(vii) To participate actively and directly in the research currently being conducted on the reform of the international monetary system with a view to establishing a more equitable international monetary system designed to provide African countries with resources for development in addition to international liquidities;

(viii) Promote measures through general or specific agreements to limit the harmful effects of monetary developments outside the continent on African economies and, where possible, seek compensation for resultant losses by African countries and at the same time strengthen intra-African monetary co-operation to counteract the harmful effects of external monetary developments;

(ix) Defend a common African stand in all international economic and monetary negotiations.

C.1 INTERNATIONAL CO-OPERATION

Take all necessary measures, side by side with efforts at the international level, to promote intra-African co-operation within the context of a strategy for development which should be the primary responsibility of the African peoples themselves.

3.2 Africa's relations with the countries of the Third World

(i) Constant consolidation of the front formed by the Group of 77 in order to defend the principles laid down in the Algiers Charter and the principles of action in the Lima Declaration;

(ii) Constant harmonization of the positions of developing countries within the common institutions they have established for the defence of their common interests;

(iii) Encouragement by all possible means, of the exchange of information on development and scientific and technical co-operation between developing countries and between their respective national or regional institutions;
(iv) Encouragement of the associations of producers in developing countries, for the defence of their common products.

C.3 Relations with the developed market economy countries and their economic groupings:

(i) Co-ordination and harmonization of their stand during all negotiations in order to safeguard the interests of African countries and refraining from actions prejudicial to African economies and inter-African co-operation;

(II) conclusion of trade agreements on the basis of mutual interest and the assistance duly made available to Africa by the developed market economy countries and their economic groupings;

(iii) Taking all necessary measures to ensure that no special form of relationship with the developed market economy countries, or their economic groupings are an impediment to access to financial and technical aid;

(iv) ensuring that multilateral and bilateral financial and technical assistance agreements are adapted to the development requirements of African countries;

(v) Taking concrete measures to regulate the repatriation of profits which considerably reduces the investment resources of African countries and limits the positive effects of aid to Africa;

(vi) Taking measures to facilitate the transfer of appropriate technology to African countries on easy terms, and to control the restrictive practices which militate against such transfers;
C.4 Relations with the Socialist Countries

(i) coordination of the stand and information on the possibilities for trade, co-operation and assistance between African countries and the Socialist countries;

(ii) promotion of all measures to intensify trade and facilitate payments between African countries and the Socialist countries;

(iii) taking steps to encourage the Socialist countries to facilitate the mobilization of credits granted to African countries, in particular as regards the use of such credits to finance the local cost component of projects and to purchase goods from other Socialist country;

(iv) taking steps to facilitate the sale of African products in Socialist countries within the framework of long-term agreements at contractually negotiated and periodically readjust prices to take account of the changes in market conditions;

(v) intensification of industrial, scientific and technical co-operation between African countries and the Socialist countries, and measures to facilitate the transfer of technology from such countries, to the African countries.

IN FAITH WHEREOF, We, African Heads of State and Government call upon African governments, African economic co-operation organizations, African institutions and African representatives in all international organizations, institutions and bodies to be guided in their actions by the provisions of the present Declaration on Co-operation, Development and Economic Independence.
TO WHICH WE have appended our signatures:

ALGERIA
BOTSWANA
BURUNDI
CAMEROON
CENTRAL AFRICAN REPUBLIC
CHAD
CONGO
DAHOMEY
EGYPT
EQUATORIAL GUINEA
ETHIOPIA
Gabon
GAMBIA
GHANA
GUINEA
IVORY COAST
KENYA
LESOTHO
LIBERIA
LIBYA
MADAGASCAR
MALAWI
Mali
MAURITANIA
MAURITIUS
MOROCCO
NIGER
NIGERIA
RWANDA
SENEGAL
SIERRA LEONE
SOMALIA
SUDAN
SWAZILAND
TANZANIA
TCGO
TUNISIA
UGANDA
UPPER VOLTA

ZAIRE

ZAMBIA

DONE at ............May 1973.
COUNCIL OF MINISTERS
Twenty-First Ordinary Session
Addis Ababa, 17 - 24 May, 1973
COUNCIL OF MINISTERS
Twenty-First Ordinary Session
Addis Ababa - May 1973

SOLEMN DECLARATION ON GENERAL POLICY
SOLEMN DECLARATION ON GENERAL POLICY

We, the Heads of State and Government of the independent African countries, meeting in Addis Ababa, Ethiopia, from 24 to 25 May 1973, on the occasion of the Tenth Anniversary of the Organization of African Unity, have solemnly decided to make the following Declaration:

Ten years ago, on May 25 1963, the Organization of African Unity was founded in an atmosphere of enthusiasm, hope and fervour. In establishing this Organization at the level of our Continent, we, the Heads of State and Government of the independent African countries were expressing our unshakable faith and our determination to pool our resources and energies for the progress of the African peoples, in order to promote their well-being in a free, united and peaceful Africa.

To take account of the basic aspirations of our peoples and in conformity with the purposes and principles defined in our Organization's Charter, we have taken a solemn pledge to promote unity and solidarity among our States, to co-ordinate our efforts and to intensify our co-operation with a view to ensuring a better life for our peoples.

We have likewise pledged ourselves to respect the sovereignty, territorial integrity and independence of our States and to settle our dispute by peaceful means in order to promote the advent of an era of peace and harmony between our States - a sine qua non of any progress.
In order to safeguard the dignity of man, we have proclaimed our total dedication to the emancipation of those parts of our Continent still subject to foreign occupation and exploitation. To this end, we have affirmed our determination to eradicate all forms of colonialism and racial discrimination from Africa.

We have re-affirmed our faith in the principles of the Charter of the United Nations and in the Universal Declaration of Human Rights, and have decided to foster international co-operation by co-ordinating our action with that of the United Nations.

In order to help reduce the tension between blocs, we have subscribed to the policy of non-alignment and, to give meaning to this commitment, we have expressed our deep desire to see Africa rid itself of all foreign military bases and stand aloof from any military alliances and from the armaments race.

For ten years we have worked with patience and perseverance to achieve these objectives which, we are convinced, are indispensable for the establishment of a better world order based on justice, equality and human dignity.

In Africa we have faced major contradictions resulting from the aftermath of the colonial period, neo-colonialist manoeuvres and the obstacles which imperialism strives to raise between our States.

Nevertheless, guided by the supreme interests of our peoples, we have succeeded in solving in a genuine African spirit the divergencies resulting from Africa's historical circumstances, and we pledge ourselves to maintain the same spirit in solving any other disputes which may arise between our States. In the face of imperialist manoeuvres aimed at undermining our unity, we pledge ourselves to remain united.
We have worked to promote peace and concord between our States, and this has helped to consolidate our Organization.

We have, more than once, given concrete expression to the solidarity among our States by coming collectively to the aid of those of us who have been victims of the subversive manoeuvres of colonialism and new-colonialism. We have also demonstrated our support in concrete form for those of our States which have suffered natural disasters.

Because of our deep concern about the alarming situation prevailing in the Middle East - a situation which constitutes a serious threat to the independence, security and unity of the African continent - we have, in conformity with Security Council Resolution No. 242, supported the Arab Republic of Egypt and the other Arab countries occupied by Israel in their legitimate struggle to recover all their territories.

To that end we have set up a Committee consisting of ten Heads of State in order to help find a solution to the problem and thus helping to restore the legitimate rights of the Palestinian Peoples. In conformity with the responsibilities stemming from the basic principles of the Organization of African Unity and from those of the United Nations, we shall continue with the same concern for peace and in the same spirit of equity and efficacy, to support effectively the Arab Republic of Egypt and the other Arab countries until the total liberation of their territories which have been occupied as a result of the Israeli aggression of June 1967.

On the international scene, the active participation of a large number of Member States of our Organization in the Conferences of the Non-aligned Countries has helped to strengthen the anti-imperialist front and to consolidate the progressive forces of the world, thus contributing to the advent of an era of international detente.
At the United Nations, thanks to the co-ordination and cooperation of our Member States, we have been able to adopt a common stand on various political and diplomatic issues. In this respect, the African Group has exercised considerable influence over decisions on important problems affecting peace, security, progress and self-determination in the world.

With regard to the problems of decolonization, we have since the creation of our Organization, devoted very special attention to the liberation of the whole of Africa. Ten years later, at a time when we are entering a new decade, we must performe realize that African countries have been subjected throughout the past years - and, indeed, are still being subjected - to the vilest form of colonialism and the most infamous oppression. On this historic occasion, we solemnly reaffirm our unconditional and unequivocal pledge to continue the struggle against colonial and racial domination of the continent, which is still the greatest challenge to African unity.

This policy was adopted in 1963 in response to the legitimate and profound aspirations of our peoples, and should be viewed less as a circumstantial or sentimental community of interests than as an awareness of the common destiny of all peoples of the African continent. Indeed, the successes scored in the armed struggle being waged by the peoples of territories still under colonial and racial domination constitute one of the most important factors in consolidating the independence of African States. Likewise, the victories won by those States, in addition to strengthening their independence, will reinforce and guarantee the pursuit of the liberation struggle.

During the decade that has elapsed, we have noted with satisfaction the accession of some countries to independence. In the countries still under colonial and racist domination and oppression such as Angola, Guinea Bissau and the Cape Verde Islands, Mozambique, South Africa, Namibia, Rhodesia, the Comoro Islands, the so-called French Somali land (Djibouti) the so-called...
Spanish Sahara, the Seychelles Islands and the Islands of Sao Tome and Principe, the enemy has been driven by force of arms to abandon vast areas where a new, dignified way of life is now being organized.

We express our deep satisfaction at the establishment in these vast liberated areas of new political, socio-economic and administrative structures which, as a result of military successes, testify to the sovereignty exercised by the movements which are leading the struggle in those countries.

Both within the international organizations and at the level of world public opinion, the justice of the cause of national liberation and the successes won have prevailed over the obstinacy and defiance of the colonial Powers. This has been demonstrated by the affirmation of the legitimacy of the armed struggle being waged by the liberation movements and by the recognition of those movements as authentic representatives of their struggling peoples.

Nevertheless, as the armed combat progresses, it has become increasingly notorious that only the massive aid given by the allies of colonialism and racism - especially certain NATO countries - is enabling the colonialist and racist regimes of Portugal, South Africa and Rhodesia to continue their odious domination. This multiform assistance is now the main obstacle on the path to independence.

Despite this massive aid, the colonialist and racist regimes are powerless to dam the swelling torrent of the struggle for national liberation, and are obliged to resort to manoeuvres and attempts to divide the dominated peoples, of which the creation of Bantustans and the "Africanization" of the war are the most outstanding examples.

These regimes, in their panic, resort to acts of genocide, mass bombing of the liberated areas, the use of dangerous...
chemicals and defoliants, the internment of thousands of people in concentration camps, political assassinations and pre-mediated aggression, both military and economic, against African countries bordering on the territories engaged in fighting.

At the level of the international organizations, and especially at the United Nations, it is the activities of those very countries which are implicated in exploiting the wealth of the oppressed countries, which are responsible for the inability of the United Nations to have its resolutions and decisions implemented.

Yet despite so much hostility towards our peoples, we remain confident of ultimate victory in the struggle. Faithful to our principles, we adopted the Lusaka Manifesto in which we clearly set forth our aims and our political philosophy for a genuine era of racial harmony and social justice and for establishing the dignity and respect of Man in Africa. Our position, thus defined, was accepted by the United Nations. We have undertaken goodwill missions with the aim of influencing the powers which are supporting our enemies to cut off their aid to the regimes which are perpetuating the odious systems of colonialism and apartheid.

In the face of the stubbornness and the intransigence of the colonialist and racist regimes on the one hand, and the complicity of some Western powers on the other, we have come to the conclusion that the liberation of the rest of our continent requires an intensification of the armed struggle being waged by the liberation movements, as already clearly affirmed in the Mogadishu Declaration.

Consequently, today, more than ever before, we are firmly convinced that armed struggle is the main form that efforts to achieve liberation must take. On behalf of all the African
peoples, we reaffirm our determination to increase the moral support and material assistance to the fight which our brothers are waging for the common ideals of justice, dignity and independence.

In the same spirit, we will intensify the fight to consolidate our independence and the economic and cultural development of our States with the aim both of achieving the well-being of our peoples and of speeding up the struggle for liberation.

We further re-affirm our conviction that, for the struggle to be effective, the liberation movements must present a united front against the common enemy.

In the light of experience acquired over the past decade, and in view of the spirit which presided over the establishment of OAU, the more effective participation and association of the liberation movements in the collective quest for solutions to the problems facing our continent have become imperative.

We pledge ourselves to provide all material, financial, and other assistance, both multilateral and bilateral, with a view to carrying out programmes for the reconstruction of the liberated areas, particularly in Guinea Bissau, Angola and Mozambique.

We also pledge ourselves to take the necessary measures in our States to mobilize still further the masses of the people, particularly young people and students, so as to make them more aware of the liberation struggle.

Realizing the burden borne by Member States bordering on the territories engaged in the struggle, we once again proclaim our determination to aid and support them against any form of aggression.
peoples, we reaffirm our determination to increase the moral support and material assistance to the fight which our brothers are waging for the common ideals of justice, dignity and independence.

In the same spirit, we will intensify the fight to consolidate our independence and the economic and cultural development of our States with the aim both of achieving the well-being of our peoples and of speeding up the struggle for liberation.

We further re-affirm our conviction that, for the struggle to be effective, the liberation movements must present a united front against the common enemy.

In the light of experience acquired over the past decade, and in view of the spirit which presided over the establishment of OAU, the more effective participation and association of the liberation movements in the collective quest for solutions to the problems facing our continent have become imperative.

We pledge ourselves to provide all material, financial, and other assistance, both multilateral and bilateral, with a view to carrying out programmes for the reconstruction of the liberated areas, particularly in Guinea Bissau, Angola and Mozambique.

We also pledge ourselves to take the necessary measures in our States to mobilize still further the masses of the people, particularly young people and students, so as to make them more aware of the liberation struggle.

Realizing the burden borne by Member States bordering on the territories engaged in the struggle, we once again proclaim our determination to aid and support them against any form of aggression.
It is gratifying to note that the legitimacy of the liberation struggle has been recognised by the international community. This recognition lays an obligation upon that community to play an effective role in eliminating the scourges of colonialism and apartheid from Africa. Accordingly, we appeal to the international community to extend through the liberation movements, all possible moral and material assistance to millions of Africans to help them rid themselves of oppression and exploitation.

The struggle to eradicate the last vestiges of colonialism and racism - those scourges which are a constant threat to world peace and security - is the greatest contribution by the peoples of Africa to the efforts being made by the peoples of the world to establish Justice, Freedom and Peace.

On the threshold of a new decade, we once again solemnly affirm the basic purposes and principles to which we subscribed at the birth of our Organization, and proclaim our determination to persevere in our joint efforts to achieve them in their entirety.

In that perspective, we adopted the Declaration of Abidjan on economic and financial questions, convinced as we are that the struggle for the liberation of our continent and the development and enhanced well-being of our peoples are indissociably linked.

DONE AT ADDIS ABABA
ON THIS TWENTY-FIFTH DAY OF MAY 1973

Signed:
COUNCIL OF MINISTERS

Twenty-First Ordinary Session

Addis Ababa - May 1973

SOLEMN DECLARATION ON GENERAL POLICY
SOLEMN DECLARATION ON GENERAL POLICY

We, the Heads of State and Government of the independent African countries, meeting in Addis Ababa, Ethiopia, from 24 to 25 May 1973, on the occasion of the Tenth Anniversary of the Organization of African Unity, have solemnly decided to make the following Declaration:

Ten years ago, on May 25 1963, the Organization of African Unity was founded in an atmosphere of enthusiasm, hope and fervour. In establishing this Organization at the level of our Continent, We, the Heads of State and Government of the independent African countries were expressing our unshakable faith and our determination to pool our resources and energies for the progress of the African peoples, in order to promote their well-being in a free, united and peaceful Africa.

To take account of the basic aspirations of our peoples and in conformity with the purposes and principles defined in our Organization's Charter, we have taken a solemn pledge to promote unity and solidarity among our States, to co-ordinate our efforts and to intensify our co-operation with a view to ensuring a better life for our peoples.

We have likewise pledged ourselves to respect the sovereignty, territorial integrity and independence of our States and to settle our dispute by peaceful means in order to promote the advent of an era of peace and harmony between our States - a sine qua non of any progress.
In order to safeguard the dignity of man, we have proclaimed our total dedication to the emancipation of those parts of our Continent still subject to foreign occupation and exploitation. To this end, we have affirmed our determination to eradicate all forms of colonialism and racial discrimination from Africa.

We have re-affirmed our faith in the principles of the Charter of the United Nations and in the Universal Declaration of Human Rights, and have decided to foster international co-operation by co-ordinating our action with that of the United Nations.

In order to help reduce the tension between blocs, we have subscribed to the policy of non-alignment and, to give meaning to this commitment, we have expressed our deep desire to see Africa rid itself of all foreign military bases and stand aloof from any military alliances and from the armaments race.

For ten years we have worked with patience and perseverance to achieve these objectives which, we are convinced, are indispensable for the establishment of a better world order based on justice, equality and human dignity.

In Africa, we have faced major contradictions resulting from the aftermath of the colonial period, neo-colonialist manoeuvres and the obstacles which imperialism strives to raise between our States.

Nevertheless, guided by the supreme interests of our peoples, we have succeeded in solving in a genuine African spirit the divergencies resulting from Africa's historical circumstances, and we pledge ourselves to maintain the same spirit in solving any other disputes which may arise between our States. In the face of imperialist manoeuvres aimed at undermining our unity, we pledge ourselves to remain united.
At the United Nations, thanks to the co-ordination and concertation of our Member States, we have been able to adopt a common stand on various political and diplomatic issues. In this respect, the African Group has exercised considerable influence over decisions on important problems affecting peace, security, progress and self-determination in the world.

With regard to the problems of decolonization, we have since the creation of our Organization, devoted very special attention to the liberation of the whole of Africa. Ten years later, at a time when we are entering a new decade, we must perforce realize that African countries have been subjected throughout the past years - and, indeed, are still being subjected - to the vilest form of colonialism and the most infamous oppression. On this historic occasion, we solemnly reaffirm our unconditional and unequivocal pledge to continue the struggle against colonial and racial domination of the continent, which is still the greatest challenge to African unity.

This policy was adopted in 1963 in response to the legitimate and profound aspirations of our peoples, and should be viewed less as a circumstantial or sentimental community of interests than as an awareness of the common destiny of all peoples of the African continent. Indeed, the successes scored in the armed struggle being waged by the peoples of territories still under colonial and racial domination constitute one of the most important factors in consolidating the independence of African States. Likewise, the victories won by those States, in addition to strengthening their independence, will reinforce and guarantee the pursuit of the liberation struggle.

During the decade that has elapsed, we have noted with satisfaction the accession of some countries to independence. In the countries still under colonial and racist domination and oppression such as Angola, Guinea-Bissau and the Cape Verde Islands, Mozambique, South Africa, Namibia, Rhodesia, the Comoro Islands, the so-called French Somali land (Djibouti) the so-called
We have worked to promote peace and concord between our States, and this has helped to consolidate our Organization.

We have, more than once, given concrete expression to the solidarity among our States by coming collectively to the aid of those of us who have been victims of the subversive manoeuvres of colonialism and new-colonialism. We have also demonstrated our support in concrete form for those of our States which have suffered natural disasters.

Because of our deep concern about the alarming situation prevailing in the Middle East - a situation which constitutes a serious threat to the independence, security and unity of the African continent - we have, in conformity with Security Council Resolution No. 242, supported the Arab Republic of Egypt and the other Arab countries occupied by Israel in their legitimate struggle to recover all their territories.

To that end we have set up a Committee consisting of ten Heads of State in order to help find a solution to the problem and thus helping to restore the legitimate rights of the Palestinian Peoples. In conformity with the responsibilities stemming from the basic principles of the Organization of African Unity and from those of the United Nations, we shall continue with the same concern for peace and in the same spirit of equity and efficacy, to support effectively the Arab Republic of Egypt and the other Arab countries until the total liberation of their territories which have been occupied as a result of the Israeli aggression of June 1967.

On the international scene, the active participation of a large number of Member States of our Organization in the Conferences of the Non-aligned Countries has helped to strengthen the anti-imperialist front and to consolidate the progressive forces of the world, thus contributing to the advent of an era of international detente.
Spanish Sahara, the Seychelles Islands and the Islands of Sao Tome and Principe, the enemy has been driven by force of arms to abandon vast areas where a new, dignified way of life is now being organized.

We express our deep satisfaction at the establishment in these vast liberated areas of new political, socio-economic and administrative structures which, as a result of military successes, testify to the sovereignty exercised by the movements which are leading the struggle in those countries.

Both within the international organizations and at the level of world public opinion, the justice of the cause of national liberation and the successes won have prevailed over the obstinacy and defiance of the colonial Powers. This has been demonstrated by the affirmation of the legitimacy of the armed struggle being waged by the liberation movements and by the recognition of those movements as authentic representatives of their struggling peoples.

Nevertheless, as the armed combat progresses, it has become increasingly notorious that only the massive aid given by the allies of colonialism and racism - especially certain NATO countries - is enabling the colonialist and racist regimes of Portugal, South Africa and Rhodesia to continue their odious domination. This multiform assistance is now the main obstacle on the path to independence.

Despite this massive aid, the colonialist and racist regimes are powerless to dam the swelling torrent of the struggle for national liberation, and are obliged to resort to manoeuvres and attempts to divide the dominated peoples, of which the creation of Bantustans and the "Africanization" of the war are the most outstanding examples.

These regimes, in their panic, resort to acts of genocide, mass bombings of the liberated areas, the use of denunciation...
chemicals and defoliants, the internment of thousands of people in concentration camps, political assassinations and premeditated aggression, both military and economic, against African countries bordering on the territories engaged in fighting.

At the level of the international organizations, and especially at the United Nations, it is the activities of those very countries which are implicated in exploiting the wealth of the oppressed countries, which are responsible for the inability of the United Nations to have its resolutions and decisions implemented.

Yet despite so much hostility towards our peoples we remain confident of ultimate victory in the struggle. Faithful to our principles, we adopted the Lusaka Manifesto in which we clearly set forth our aims and our political philosophy for a genuine era of racial harmony and social justice and for establishing the dignity and respect of Man in Africa. Our position, thus defined, was accepted by the United Nations. We have undertaken goodwill missions with the aim of influencing the powers which are supporting our enemies to cut off their aid to the regimes which are perpetuating the odious systems of colonialism and apartheid.

In the face of the stubbornness and the intransigence of the colonialist and racist regimes on the one hand, and the complicity of some Western powers on the other, we have come to the conclusion that the liberation of the rest of our continent requires an intensification of the armed struggle being waged by the liberation movements, as already clearly affirmed in the Mogadishu Declaration.

Consequently, today, more than ever before, we are firmly convinced that armed struggle is the main form that efforts to achieve liberation must take. On behalf of all the African
peoples, we reaffirm our determination to increase the moral 
support and material assistance to the fight which our brothers 
are waging for the common ideals of justice, dignity and 
independence.

In the same spirit, we will intensify the fight to 
consolidate our independence and the economic and cultural 
development of our States with the aim both of achieving the 
well-being of our peoples and of speeding up the struggle for 
liberation.

We further re-affirm our conviction that, for the struggle to 
become effective, the liberation movements must present a 
united front against the common enemy.

In the light of experience acquired over the past decade, 
and in view of the spirit which presided over the establishment 
of OAU, the more effective participation and association of the 
liberation movements in the collective quest for solutions to 
the problems facing our continent have become imperative.

We pledge ourselves to provide all material, financial, 
and other assistance, both multilateral and bilateral, with a 
view to carrying out programmes for the reconstruction of the 
liberated areas, particularly in Guinea Bissau, Angola and 
Mozambique.

We also pledge ourselves to take the necessary measures 
in our States to mobilize still further the masses of the people, 
particularly young people and students, so as to make them more 
aware of the liberation struggle.

Realizing the burden borne by Member States bordering on 
the territories engaged in the struggle, we once again proclaim 
our determination to aid and support them against any form of 
aggression.
It is gratifying to note that the legitimacy of the liberation struggle has been recognised by the international community. This recognition lays an obligation upon that community to play an effective role in eliminating the scourges of colonialism and apartheid from Africa. Accordingly, we appeal to the international community to extend through the liberation movements, all possible moral and material assistance to millions of Africans to help them rid themselves of oppression and exploitation.

The struggle to eradicate the last vestiges of colonialism and racism - those scourges which are a constant threat to world peace and security - is the greatest contribution by the peoples of Africa to the efforts being made by the peoples of the world to establish Justice, Freedom and Peace.

On the threshold of a new decade, we once again solemnly affirm the basic purposes and principles to which we subscribed at the birth of our Organization, and proclaim our determination to persevere in our joint efforts to achieve them in their entirety.

In that perspective, we adopted the Declaration of Abidjan on economic and financial questions, convinced as we are that the struggle for the liberation of our continent and the development and enhanced well-being of our peoples are indissociably linked.

DONE AT ADDIS ABABA
ON THIS TWENTY-FIFTH DAY OF MAY 1973

Signed:
1. The 4th Conference of Heads of State and Government of non-aligned countries emphatically reaffirmed the right of all countries to permanent sovereignty over all their natural resources, on land within their national boundaries, as well as those in the sea-bed and the sub-soil thereof within the limits of national jurisdiction and in the superjacent waters, including the instruments of exploitation of such resources, and the direct control of strategic economic activities.

2. The Conference reiterated that violation of the right of peoples to secure and exercise effective control over their natural resources is contrary to the purposes and principles of the Charter of the United Nations and hinders the development of international co-operation and the maintenance of international peace and security.

3. The participants noted that both the exploration and exploitation of natural resources must necessarily be subject in each country to its own laws and regulations. They declared that all actions, including legislative regulations or other measures, by States aimed at coercing, directly or indirectly, other States engaged in the exercise of their sovereign rights over their natural resources, in the best interests of the welfare and progress of their people, are in violation of the United Nations Charter and the Declaration on Principles of International Law Concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations. They are also inconsistent with the targets, objectives and policy measures of the International Development Strategy for the Second United Nations Development Decade. Non-aligned countries are determined to resist any such pressures on, or interference with, the exercise of their sovereignty and affirm their support to and solidarity with countries on whom such pressures have been brought to bear.

4. The participants took note, with interest, of the study currently being undertaken by the United Nations, of the political, economical, social, legal and other aspects of the principles of permanent sovereignty over natural resources and expressed
the hope that this would result in better safeguarding of the sovereign rights of all States. They also welcomed, in this connexion, the appointment, by the United Nations, of a Study Group of eminent persons intimately acquainted with international economic, trade and social problems and related international relations, to study the role of trans-national corporations and their impact on the process of development, especially that of the developing countries. They urged that this study should lead to the drawing up of an internationally accepted code of conduct governing activities of these corporations. Non-aligned countries stand ready to offer their fullest co-operation in these efforts in the United Nations.
1. The Heads of State and Government of non-aligned countries reviewed the present state of international economic relations and noted with grave concern that it now constitutes a crisis of most serious proportions, adversely affecting the developing countries and leading to a further deterioration of their position in the world economy. The Heads of State and Government solemnly declare that unless urgent measures are taken to ameliorate this crisis and reverse the increasingly dangerous trend of the widening gap between developed and developing countries, an explosive situation with incalculable consequences would become unavoidable.

2. In reviewing various aspects of the present state of international economic relations, the Heads of State and Government have noted in particular the following:


(2) The recent improvements in the international political situation in certain spheres have not been translated into concrete measures for international economic co-operation; on the contrary, the cause of development has lost momentum. The gap between the developed and the developing countries continues to widen. The share of the developing countries in world trade is still decreasing. The net aggregate flow of financial resources to developing countries has made little progress towards the targets specified for attainment. The International Development Strategy still remains only an expression of international good intentions.

(3) The necessary political will is lacking in the implementation of urgently needed measures. (In this context, the traditional distinction between donor and recipient countries is out of date.)

(4) Performance at national and international levels has fallen far short of the quantitative targets set out in the International Development Strategy. The implementation of policy measures outlined in the Strategy has been tardy. There is a real and imminent danger that owing to the preoccupations of developed countries with readjustment of their own mutual relations, the urgent need for implementing policy measures in the Strategy will be disregarded.

AL-73-67
(5) The average annual growth rate of gross domestic product for all developing countries declined from 6.2 per cent over the period 1968-71 to about 5.9 per cent over the first two years of the 1970's. Of particular concern is the fact that the least developed countries have failed to register any growth in real per capita product.

(6) The average annual growth rate in gross product per head for developing countries declined from 3.4 per cent in 1968-71 to 3 per cent in 1970-72.

(7) Neither the target of 1 per cent of GNP for total net financial transfers to developing countries nor the target of 0.7 per cent of GNP as official development assistance is likely to be reached on the dates envisaged in the Strategy.

(8) The net inflow of financial resources from the developed countries, in comparison with their gross national product, to the developing countries is falling. At the same time the payments on account of servicing the foreign indebtedness of the developing countries absorb an increasing share of their otherwise insufficient export earnings.

(9) There has been insufficient progress in softening the terms of assistance to developing countries. The share of concessional development assistance in total flows to developing countries has declined.

(10) As a result there has been further deterioration in the indebtedness situation of the developing countries. Sufficient progress has not been made in devising appropriate international solutions to the debt problem of developing countries.

(11) Development problems, in the field of international trade, have, far from moving towards solution, become increasingly acute. In many areas, there has been a set-back when compared with the situation prevailing at the end of the First Development Decade.

(12) No concrete achievement has been recorded on pricing policy and access to market for commodities, although the preferential schemes introduced by developed countries within the General Scheme of Preferences represent a break-through in the traditional concept of international trade and co-operation, their benefit to developing countries is limited, owing specially to the general non-inclusion of items falling within chapters 1-24 of the BTN (Bilateral Trade Negotiations), the exclusion of a number of items in chapter 25-99 and also the introduction in these schemes of such obstacles as safeguard clauses, ceilings and other non-tariff barriers, discriminatory clauses and administrative bottlenecks.
Moreover, the system has not yet become fully operational and even the meagre benefits secured so far stand in danger of erosion as a result of the enlargement of the preferential arrangements among developed countries and the prospects of most favoured nation reduction in tariffs following the multilateral trade negotiations.

The commitment to maintain a standstill has been disregarded. Non-tariff barriers, instead of being liberalized, have been intensified against products of export interest to developing countries, as witnessed, for example, in the GATT arrangements for textiles.

Restrictions on trade and development of developing countries continue to be experienced on account of the controlled and directed marketing and distribution systems still operating, and which work against the interests of the producers in developing countries. Secondly, activities of transnational corporations, whose power is increasing, and which militate against the economic development of developing countries, impede further the growth of such countries. Another obstacle are the various restrictive business practices of enterprises of developed countries.

The international monetary system set up under the Bretton Woods Agreement has proved to be inadequate to meet the present requirements of world trade. Many of the major currencies are now floating and the international monetary remains unsettled.

While the establishment by IMF of the Committee of Twenty, including representatives of developing countries is to be welcomed, important decisions in the international monetary field continue to be taken by the affluent countries, sometimes outside the forum of the International Monetary Fund, without adequate participation of developing countries.

There has been inadequate progress in the implementation of special measures in favour of least developed countries. The developmental efforts among land-locked developing countries are also hampered in spite of some result in the solution of their special problems.

An imbalance continues in the ownership, control and operation of maritime transport, which is at present concentrated in a small number of developed market economy countries. The enormous increases in sea freight constitute an obstacle to the expansion of export of products of interest to developing countries.
II

The Heads of State and Government call upon the international community to restore the development objective to its rightful place in the functioning of the United Nations system, to view the adjustment of mutual relations among advanced nations as an element in the effort to achieve world-wide progress in global partnership, and to develop national and international measures to secure that developed and developing nations co-operate to solve one another's problems, and, to elaborate further, in the light of recent experience, the social and environmental content of its goals and objectives.

They declare that co-operation and solidarity among all developing countries is a prime requisite for the attainment of objectives outlined above. The necessary complementary and political will in the developed world should also be forthcoming.

To this end non-aligned countries will continue to work with other developing countries within the Group of 77, as well as at all other international economic forums, in particular, the United Nations General Assembly, UNCTAD, ECOSOC, IMF and its Committee of Twenty, all other specialized agencies of the UN, and the multilateral trade negotiations about to be launched by the Ministerial Conference being convened in Tokyo in September, 1973. They are resolved to approach in spirit of mutual accommodation matters over which national interests differ over the short-term, and to enhance their sense of common purpose over matter where national interests coincide in the medium and long-term, so that developing countries may consolidate and strengthen further their unity and solidarity for securing for themselves an equitable share of the world's resources and the fruits of the overall international development process.

III

The Heads of State and Government of non-aligned countries reaffirm that the primary responsibility for the development of the economies of their countries rests with themselves. The best means of achieving this is through self-reliance and co-operation among themselves and with all other countries.

They are determined to continue to pursue vigorous policies for fuller mobilization of their resources in order to ensure their most effective use, secure in rapid growth in their economies and achieve full employment. They are equally determined to maintain the unity of non-aligned countries with other developing
countries in their endeavour to improve their economic conditions, strengthen their economic emancipation and contribute to world peace and economic and social order for the benefit of mankind. To these ends they endorse the Declaration and Principles of the Action Programme of Lima adopted by the second Ministerial meeting of the Group of 77, and reaffirm the Declaration on Non-Alignment and Economic Progress adopted by them at their Third Conference in Lusaka. They further endorse with appreciation the Action Programme for Economic Co-operation adopted by their foreign Ministers at Georgetown in 1972.

The Heads of State and Government have agreed that non-aligned countries will co-ordinate their actions and take suitable joint measures, in consultation with other developing countries of the Group of 77 to work for the following objectives in the relevant international forums:

1. Opportunities should be given for the developing countries not only to participate fully in the negotiation of new financial and trade regimes, but also in the decision making process on an equitable basis.

2. While initiative and responsibility for promoting their economic growth lies with the non-aligned countries, international co-operation for development must continue to play an important role in creating a climate conducive to their economic growth.

3. Support and co-operation in the work currently in progress for the elaboration of a charter on the Economic Rights and Duties of States, which would provide a legal frame for national action directed to the achievement of internationally accepted goals in economic and social sectors.

4. Support should be extended to the measures for further action contained in the Working Paper submitted by developing countries to the Committee on Review and Appraisal at its 2nd session in New York in June 1973, emphasizing the need for effective and early measures to achieve progressively the removal of gross inequalities in economic and social development that have increased among nations of the world.

5. Support should be affirmed to the work already done by the Group of 24 set up by the developing countries, in co-ordinating and unifying the views of the developing countries on monetary reform.

6. Any reformed system should have as an integral part the transfer of real resources to developing countries and for this purpose a link should be established between SDR's and development finance.
7. There should be a speedy return to a stable system of exchange rates.

8. Practices and activities of multinational and transnational corporations that violate sovereignty of developing countries and impair the principle of self-determination of peoples, must be strongly opposed, and carefully regulated through an internationally accepted code of conduct.

9. Additional cost of environmental-programmes should not be allowed to come in the way of more basic development needs, bearing in mind that economic backwardness is the worst form of pollution and that problems of environmental control are linked in developing countries with certain developmental problems. Any assistance in the environmental field provided to developing countries by the developed countries should be additional to whatever is already being channelled as developmental assistance. Bearing in mind also that while environmental control is of great importance, developing countries have more immediate priorities, it is necessary that the preoccupation of developed countries in this area should not lead to any adverse effects on developmental assistance provided by them or on the trade of developing countries.

10. The appointment of the Working Group on Technical Co-operation among Developing Countries under the auspices of UNDP is to be welcomed. Such co-operation would lead to the introduction of techniques better adapted to local needs, the improvement of knowledge and confidence of the technical capacity already available in developing countries, the overcoming of attitudinal barriers and the strengthening of regional and inter-regional economic co-operation among the developing countries.

11. International action to achieve the goals and objectives of the Strategy must be regarded as part of a continuing effort by the world community to assist the economic and social progress of developing countries in the context of a rapidly changing world situation. To this end it is essential not only to implement policy measures already agreed upon, but also to seek new areas of agreement, widen the existing ones, evolve new concepts and seek agreement on additional measures within a time-bound programme of action.

12. The target for official development assistance established under the strategy is of special significance in providing adequate resources on suitable terms to developing countries. Immediate action should be taken by developed countries towards achievement of the official development assistance target of 0.7 per cent of GNP within a reasonable period of time.
13. It is also necessary to devise appropriate international solutions to the
debt problems of developing countries by providing for liberal refinancing and
rescheduling arrangements. The Committee on Invisibles and Financing Related to Trade
of UNCTAD has recently decided to constitute an inter-governmental group for examining
this problem and devising appropriate solutions. It is hoped that the work of this
group may lead to the adoption of concrete measures by the international community to
deal with the debt problem.

14. Economic co-operation among non-aligned nations should be strengthened and
complementarities in their production structures should be developed.

15. Inter-regional and regional schemes for trade and monetary co-operation
among developing countries should receive full support of the international community.
International institutions and developed countries should co-operate with the
developing countries in successfully implementing such schemes.

16. It is essential to ensure that the multilateral trade negotiations result
in substantial and lasting gains for the export trade of developing countries. Even
if the developing countries play an active part in the multilateral trade negotiations,
such results as may be achieved will not begin to take effect until the negotiations
are concluded. It is, therefore, of paramount importance that during this period there
is no freeze on action in favour of the developing countries’ trade and significant
targets such as those fixed in the International Development Strategy.

17. All countries must have complete sovereignty over their natural resources,
which is an essential ingredient in the pursuit of their self reliance and for
cementing their economic bonds so as to pursue collectively a policy of economic
independence and advancement. All actions measures or legislation by States, aimed
at covering, directly or indirectly, other states engaged in the exercise of their
sovereign rights over their natural resources, are in violation of the United Nations
Charter and contradict the targets, objectives and policy measures of the International
Development Strategy. Non-aligned countries are determined to resist such pressures
on the exercise of their sovereignty.

18. Appropriate measures should be taken speedily for the solution of problems
of least developed countries and landlocked developing countries.

19. Measures designed to assist the efforts of developing countries towards a
betterment of their socio-economic conditions should be encouraged in the relevant
international forums. Developed countries should formulate and permit the implement-
ation of such measures.
IV

The Heads of State and Government stress the need for the speedy implementation of the Action Programme for Economic Co-operation adopted by their Foreign Ministers at Georgetown in 1972. They note with appreciation the follow-up action already taken by the countries entrusted with this responsibility. They recognize that there is scope for further exploration at the technical level of the recommendations already agreed upon, with a view to assessing their feasibility and formulating measures for their implementation.

For this purpose they request non-aligned countries already appointed as Co-ordinators for the different sectors of activity indicated in paragraph 39 of the Action Programme, to undertake further studies in the fields allocated to them, and to consult with other non-aligned countries about their activities in these fields with a view to formulating concrete proposals for action, either by non-aligned countries as a whole or by such non-aligned countries as are able to participate in them.

Taking into account the recommendation contained in paragraph 38 of the Action Programme, the Heads of State and Government further agree that the meeting of the representatives of non-aligned countries, to be held before such session of the United Nations General Assembly at the level of Ministers or Heads of delegations, should include, in alternate years Economic Representatives who may examine and take necessary decisions on the proposals referred to in the previous paragraph.

The Heads of State and Government further request the Chairman, with the assistance of the Standing Committee to co-ordinate, process and prepare these proposals for submission to the above-mentioned biennial meeting of economic representatives.
AGENDA ITEM 8(d)

"STRENGTHENING OF INTERNATIONAL SECURITY, CREATION OF ZONES OF PEACE AND INTENSIFICATION OF EFFORTS DIRECTED TOWARDS GENERAL AND COMPLETE DISARMAMENT".

1. The participants in the 4th Conference of Heads of State and Government of Non-Aligned Countries noted with satisfaction that co-ordinated action by non-aligned countries has contributed to more positive international action for the development and concrete application of the principles of international security and the formulation of rules of behaviour which would eliminate the use of force from international relations. They recognized nevertheless that crises and conflicts have not yet been eliminated and many non-aligned countries are subjected to various kinds of impermissible pressure and interference. They are determined to continue their co-operation in this important field, bearing in mind the indivisibility of international peace and interdependence of security of all regions in the present day world.

2. Recalling paragraph 8(2) of the Statement on the United Nations adopted by their 3rd Conference at Lusaka, the participants hailed the adoption by the twenty-fifth General Assembly of the Declaration on International Security. They noted that non-aligned countries had played a crucial part in the adoption of this historic document, and have continued their efforts to promote fruitful discussions on the implementation of this Declaration at the twenty-sixth and twenty-seventh sessions of the General Assembly. The participants endorsed, in this connexion, the decisions of the Foreign Ministers of non-aligned countries at New York in 1971, and the statement on International Security and Disarmament adopted by the Foreign Ministers at Georgetown in 1972.

3. The participants declared that the persistence of colonialism, apartheid and racial discrimination are continuing threats to international peace and security and called for their urgent and total elimination. The growing economic disparity between developed and developing countries constitutes a dangerous trend for international peace and security and it is essential to arrest it and reverse its direction.

AL-73-51
non-aligned countries have a vital stake in defending and promoting their economic security which is an integral ingredient of their overall security and must pay special attention to the strengthening of collective economic security.

4. The dissolution of military alliances conceived in the context of great power rivalry continues to be a vital requirement in ensuring the security of all States and peoples. While there have been significant developments in the process of relaxation of international tensions, it is necessary for the consolidation of peace that this process should cover all regions of the world, and should include the equal participation of all countries.

5. Bearing these factors in mind, the participants affirmed that the Declaration on International Security must be viewed as an integral whole, and that all the elements mentioned in it are essential for the consolidation of peace and security. Continuous efforts are required to build, on the foundations already laid, a durable, effective and universal structure of international peace and security in accordance with the purposes and principles of the United Nations Charter.

6. Recalling their Declaration at Lusaka, the participants affirmed their conviction that the creation of Zones of Peace and Co-operation would contribute to international peace and security and the stability of all States and peoples. They welcomed in this connexion the Declaration of the Indian Ocean as a Zone of Peace adopted by the twenty-seventh United Nations General Assembly, and noted with satisfaction the establishment of the United Nations Ad hoc Committee on the Indian Ocean, to study the implications of the proposal with a view to the adoption of practical measures needed to achieve its objectives. In this connexion, they noted with concern the establishment and continued maintenance of great power military bases in the Indian Ocean area. They expressed their profound conviction that these as well as other manifestations of great power presence or military escalation leading to aggravation of tensions were contrary to the spirit of the United Nations Declaration. The participants reiterated their determination to continue to co-ordinate their activities to secure early realization of their objective through a process of consultation and discussion with all the powers concerned.

7. For the preservation of the peace, stability and security of South-east Asia, the participants urged that the region should be free of big power rivalries and interference and that its peace and security as well as the independence and territorial integrity of the States in the region be fully safeguarded and guaranteed.
In this connexion, they noted with satisfaction that five countries in South-east Asia had issued the Kuala Lumpur Declaration constituting a Zone of Peace, Freedom and Neutrality, free from any form of menace or interference by outside Powers and expressed their determination to secure recognition of and respect for the Zone. The participants welcomed this move as a positive development and called upon all States to respect these objectives.

8. The participants noted the significance of the Conference on European Security and Co-operation. They emphasized that normalization of the situation in Europe should be an integral part of the strengthening of international peace and world security as a whole. The situation in the Mediterranean and the Middle East, in particular, are closely related to the future stability and security of Europe. The participants expressed the hope that the future work and decisions of the Conference and the policies of the participating countries will reflect this comprehensive understanding and integrated approach.

9. The participants declared that the problem of disarmament was, in the present nuclear age, among the most vital and urgent ones that face mankind today. World peace and security which must be based on equality, cannot be built on any legitimization or attempts at stabilization of the so-called balance of power. Disarmament in the nuclear age has to be comprehensive and total, under effective measures of verification. However, such disarmament can only be achieved through a step-by-step approach under various suitably designed partial or collateral measures. The highest priority should be given to measures of nuclear disarmament and the elimination of all weapons of mass destruction. Savings from measures of disarmament should be channelled to economic and social development, particularly for the benefit of the developing countries.

10. The participants noted with concern that, in spite of recent agreements in the field of disarmament and the limitation or prohibition of certain weapons, the arms race, particularly in nuclear and other weapons of mass destruction, is continuing unabated, both quantitatively and qualitatively. They were of the opinion that important disarmament issues, of vital interest to all States, should be considered in the multilateral context of the United Nations and not merely on bilateral or bloc basis.

11. The non-aligned countries have always expressed their concern over and opposition to all nuclear weapon tests, irrespective of which country conducts them and in
whatever environment or wherever they are carried out. The non-aligned countries are convinced that the only effective solution to the problem of nuclear weapon tests is that those nuclear-weapon States which have not yet subscribed to the Partial Test Ban Treaty should do so without any further delay and, pending the achievement of a comprehensive test ban, there should be an immediate suspension of all nuclear weapon tests in all environments by all nuclear-weapon-States.

12. The participants affirmed again their full support to the early convening of a World Disarmament Conference with the participation of all States, and in particular the militarily significant States, to focus attention on disarmament problems and to recommend guidelines for effective solutions. They agreed to co-ordinate their efforts at the twenty-eighth United Nations General Assembly for taking positive and effective steps towards this goal. The participants considered that the comprehensive discussions on the implementation of the Declaration on International Security, which took place at the United Nations during the twenty-sixth and twenty-seventh sessions of the General Assembly constituted useful and necessary steps for increasing the effectiveness of the United Nations by enabling Member States to express their considered opinions on important issues of peace and security and also in the process facilitating the democratization of international relations. They are of the opinion that it is necessary to hold such discussions during the twenty-eighth session of the General Assembly, taking into account the developments in international relations during the last year. The non-aligned countries will continue to co-ordinate their activities at the United Nations in regard to this matter as also on the important issues of Disarmament and Zones of Peace to be considered by the twenty-eighth session of the General Assembly with a view to ensuring positive and meaningful results from these discussions.
Item 5. Recommendations of Foreign Ministers' Meeting.

While welcoming the interest shown in the non-aligned movement, the participants at the Summit Conference may wish to point out that with regard to the consideration of applications for membership by new States, only those States whose foreign policy adheres to the principles and objectives of non-alignment as contained in paragraphs 11 and 12 of the Lusaka Declaration are capable of making an effective contribution towards the strengthening of activities designed to achieve those objectives and enable the forces of non-alignment to make a positive contribution to the liberation struggle of oppressed peoples against colonialism, neo-colonialism and racialism in all their forms and manifestations.

Furthermore, the participants may deem it absolutely essential to incorporate as full members of this Fourth Summit Conference the representatives of the liberation movement struggling under the most difficult conditions against the enemies of the non-aligned movement's objectives.

Item 8. Consideration of political issues and co-ordinated action of non-aligned countries for strengthening world peace and security.

(a) The Lusaka Conference noted that extensive violations of peace and security were being perpetrated in the world, especially in Indo-China with the peoples of Viet-Nam, Cambodia and Laos struggling against imperialist aggression; in the Middle East, with Israel, as a spear-head for North American imperialism, intensifying its expansionist policy; and in Southern Africa and the Portuguese colonies subjected to the atrocities of racist and colonialist regimes, guilty of continued attacks and conspiracies in the Republics of Guinea, Zambia, Tanzania and Senegal with the assistance of western...
military alliances. Furthermore, the Conference noted the use of coercive measures of all kinds to restrict the sovereign independence and self-determination of States as demonstrated in Latin America, with its peoples face to face with the United States policy of hegemony and exploitation.

The Conference further noted that while conflicts between the great powers had decreased, there were continuing threats to peace and security in other areas.

At Georgetown, the Conference of Foreign Ministers noted the growing solidarity, co-operation and collaboration linking the national liberation movements to the non-aligned countries and all peace-loving countries, representing a powerful combination of forces in the struggle for the emancipation of subjugated peoples, the safeguarding of world peace and security and the promotion of social progress. It further declared the intention of the non-aligned countries to continue their efforts with a view to strengthening and broadening the existing solidarity and co-operation among all anti-imperialist and anti-colonialist forces.

In reviewing the development of international relations since Lusaka, the Summit Conference may note that the aforementioned combination of forces succeeded in achieving significant reversals of the policy of the group of imperialist, colonialist and neocolonialist powers, demonstrating the bankruptcy of the arrogant claims by the United States to act as world policeman.

The defeat of aggression in Viet-Nam, the agreements concluded between the United States and the Union of Soviet Socialist Republics, the institution of the European Conference on Security and Co-operation, the recognition of the legitimate rights of the Peoples' Republic of China and the achievements of progressive revolutionary countries and peoples in Latin America have contributed to the strengthening of peace and international security and the weakening of the forces of imperialism, thereby enabling the non-aligned countries to speak and act with greater impact on international relations, with a consequent advance towards the achievement of their declared aims.
In reviewing the role and influence of the non-aligned countries in this context, the following points should be taken into account:

- reaffirmation of the basic principles and aims of the non-aligned countries;
- continued strengthening of solidarity and co-operation among all the anti-imperialist and anti-colonialist forces;
- support for negotiations aimed at consolidating peace and security which would facilitate more effective action to safeguard the sovereignty, independence and self-determination of developing countries;
- the need to continue and encourage the struggle of peoples against colonialism, neo-colonialism and racism;
- the termination of the illegal occupation of territory by force;
- the need to ensure full implementation of the principles of the United Nations Charter in international relations;
- the establishment of a system of security and co-operation to counteract and check aggression by the colonialist and neo-colonialist bloc;
- reinforcement of the means for the peaceful solution of conflicts within the framework of the strictest respect for the sovereign rights of all States.

(b) In the context of the new realities of today, it is essential that the non-aligned countries exert greater influence in achieving urgent and adequate solutions to international conflicts stemming from the obstinacy of powers which are pursuing a policy of domination, exploitation and under-development of peoples. The problems in the Middle East, Indo-China, Africa and Latin America were considered at Lusaka and Georgetown. Both Conferences stressed that the same colonialist and neo-colonialist forces were responsible for the violation of peace and security in those regions.

In Indo-China, the defeat by the Viet-Namese people of the most powerful imperialist power of our time, after an epic struggle, demonstrated that when a small people decides on victory or death in defence of its basic national rights, it is invincible.

The Paris Agreements undoubtedly constitute the most significant international event since Lusaka and demonstrate unequivocally the effectiveness of solidarity and co-operation among all freedom-, peace- and justice-loving countries.
Even now, however, the imperialists persist in their policy of establishing a neo-colonialist regime in South Viet-Nam through the support they are giving to the Saigon clique and the flagrant violations of the Paris Agreements.

The Provisional Revolutionary Government of South Viet-Nam, it is worthwhile reiterating, is the only true representative of the South Viet-Namese people.

The Conference should accordingly reaffirm its support for the people of South Viet-Nam and its true representatives.

In Cambodia, the imperialists have been forced to suspend their criminal bombing, primarily because of the resolute action of the Cambodian people and the hostile reaction of world opinion, including that of the United States itself. However, they have continued their policy of aggression by providing all forms of assistance to the illegal regime of Lon Nol. The war of extermination launched by the United States in Cambodia has been defeated by the advance of the people's army of the National United Front of Cambodia which has reduced the area occupied by the aggressors and their puppets to the ground on which their troops stand.

The Conference may consider the need to strengthen solidarity and co-operation with the Royal Government of National Unity of Cambodia, the sole legal government of that country, which all non-aligned countries should recognize, calling on the United Nations to return the seat belonging to Cambodia to its rightful representatives.

In considering the situation in Laos, the participants may wish to support the Proposals of the Patriotic Front of Laos and insist on strict observance of the peace agreements regarding that country.

The situation in the Middle East, where Israel is denying and usurping the basic national rights of the Palestinian people, conducting an expansionist policy of aggression and persisting in the military occupation of the territories of three non-aligned countries, is being continually aggravated by the support given to it by North American imperialism, which has entrusted zionism the task of protecting its interest in that strategic area of the world.
In studying the proposals submitted to it, the Conference should consider effective means of preventing the colonialist and neo-colonialist powers from continuing to support Israel, flouting the principles of international law, which categorically lay down the inadmissibility of the acquisition of territories by force.

In Latin America, the United States utilizes the means and methods available to them through the so-called Inter-American System to restrict the sovereignty, independence and self-determination of peoples in that region. The history of the past few years shows that aggression has been carried out under the quasi-legal guise of the Rio de Janeiro Agreement against the Dominican Republic, Guatemala and Cuba. More recently, it has continued to use coercive measures of all kinds to prevent the governments of various countries, including Peru, Chile, Argentina and Panama, from recovering their natural resources and fully exercising their territorial sovereignty, and it makes free of their internal economy in order to meet its own requirements and objectives. The imperialist reaction to assertions of sovereignty, such as the restoration of relations with Cuba, the adoption of measures to control foreign investment, and demands for the inalienable integrity of the territories of the countries concerned, ranges from blackmail to threats to use force and to covert or overt financial and trade boycotts.

The Conference may wish to consider the existence of inter-American military alliances established during the Cold War which weigh heavily on Latin American peoples and tend to perpetuate the continental hegemony of the United States.

The Conference may wish to consider the following concrete measures:

- Support for the Government of Popular Unity in Chile which is currently the target of reactionary subversion and imperialist aggression of an extremely serious nature:

- Support for the Revolutionary Government of the Peruvian Armed Forces in its efforts to safeguard national sovereignty and make progress in recovering the country's natural resources:

- Denunciation of the North American policy of refusal to recognize the complete sovereignty of Panama over all its territory, and support for the just claims of the Government and people of that country as acknowledged by an overwhelming majority of the members of the Security Council:
- A call for the dissolution of inter-American military alliances and insistence on the dismantling of United States military bases established in the territories of Cuba, Panama and Puerto Rico against the wishes of their peoples;

Support for the various initiatives taken by Latin American States in international bodies in keeping with the declared objectives of the non-aligned countries, and a call for the urgent completion of the studies being made at Mexico's initiative for the elaboration of a Charter on the Duties and Economic Rights of States;

- Condemnation of the policy of the imperialists aimed at keeping the Latin American continent under their neo-colonial control in close alliance with Brazilian sub-imperialism and the oligarchical governments still existing in that continent;

- Proclamation of unswerving support for all governments which, in response to the demands of their peoples and their pressing need for development, adopt collective measures such as the Andean Pact, or national measures designed to safeguard their national sovereignty and recovery of their natural resources.

(c) In considering the strengthening of international security, the Conference may wish to examine the steps taken to check the forces of the colonialist and neo-colonialist bloc in their attempts to maintain their system of exploitation, dependence and backwardness in developing countries.

Close and active co-operation between the non-aligned countries and all peace-loving countries not involved in support for the colonialist, neo-colonialist and racist regimes, is an effective contribution to the safeguarding of peace and security of all small and medium-sized States.

In this context, the participants may wish to consider the need to demand the dissolution of aggressive military pacts, the forces covered by which have conducted manoeuvres against the independence and sovereignty and the right to economic and social development of all developing countries.

The establishment of zones of peace should not result in a wastage of the defence capacity of developing countries or diminish the possibility of receiving external assistance in the event of aggression by colonialist and neo-colonialist powers. In considering the aptness of the principle of the creation of zones of peace, the participants may wish to analyse the serious risk involved in the voluntary limitation of their defensive strength in a situation which may call for the means and capacity for active defence of their sovereignty, independence and self-determination.
The creation of a genuine zone of peace implies the elimination not only of the presence of military forces and bases in an area, but also of all military alliances and neo-colonialist regimes therein. The relative imbalance of forces in favour of colonialist and neo-colonialist powers contradicts the very nature of a zone of peace.

The Conference should uphold the advisability of accelerating all agreements on disarmament and especially those relating to weapons for waging chemical warfare, the extensive use of which in Indo-China has demonstrated their inhuman nature.

The proposal for the early convening of a world disarmament conference, which had the backing of the non-aligned countries, should be encouraged by concrete initiatives at the twenty-eighth session of the General Assembly.

**Item 9. Consideration of economic issues and international action aimed at accelerating economic and social progress of non-aligned countries**

(a) **State of international economic relations and deterioration of the economic position of the developing countries, commitments of the developed world in international action for development**

An analysis of recent world economic trends - particularly since the Lusaka Conference - reveals the widening of the gap between the development levels in developed and developing countries. The statements made at various international gatherings, such as the meeting of the Group of 77 in Lima, UNCTAD III and the sessions of Regional Economic Commission for Asia and the Far East, Africa and Latin America, and supported by an abundance of irrefutable information, statistics and technical and economic analyses, clearly bring out, in fact, this significant relative - and sometimes absolute - deterioration in conditions prevailing in countries in the so-called developing world. The deterioration is most apparent in the levels and distribution pattern of income, the scourge of unemployment, unproductive under-employment and general poverty; in health, housing and nutrition conditions; and in other key indices of the economic and social situation.

In these circumstances, the Conference may deem it advisable to give consideration to this most pressing problem of our time, examining inter alia the following points:

(i) The question of the internal economic, political and social structures which in many countries are a definite obstacle to the promotion of a genuine development process;

(ii) The role of imperialism as an obstacle to development both in the economic field (by maintaining traditional exploitation structures or introducing new ones in the developing countries and in the political fields (flagrant
infringements of the sovereignty of developing countries, thereby impairing
their progress towards independence and economic development); 
(iii) Questions relating to the lack of international financial co-operation (which
should supplement the efforts of the developing countries), with particular
emphasis on the need for a substantial increase in allocations ("donations"),
better terms for loans and, where relevant, the renegotiation - on suitable
terms - of foreign debts, as well as on the need to draw up uniform
regulations with regard to foreign private investments;
(iv) Problems arising from the current international monetary crisis and the
forthcoming multilateral trade negotiations, and the position, in both cases,
of developing countries in general and of non-aligned countries in particular;
(v) Problems relating to the transfer of technology;
(vi) In connexion with the preceding items, an examination of the activities of
multinational (transnational) companies and other forms of imperialist
 monopoly.

(b) Biennial review and appraisal of the implementation of the International Development
Strategy and the need for urgent solution of problems arising as a result of
subsequent developments in international economic relations, including, in
particular, the multilateral trade negotiations and the reform of the international
monetary system.

In the light of the preceding items (a), the participant countries may wish to
examine the failure of the IDS, giving special consideration to:
(i) the need to distinguish between a true concept of development and simple
economic growth (and other distorting factors);
(ii) the need to dispel illusions concerning the possibility of any form of
spontaneous co-operation by imperialism with the development aims of the
developing countries;
(iii) the need to consider changes in internal structures as a sine qua non for
any genuine development process, and to unite the forces of the whole of the
developing world to fight for proper and adequate international co-operation
in the fields of trade, finance and the transfer of technology.

(c) Follow-up action on the Lusaka Declaration on Non-Aligned and Economic Progress
and the Georgetown Action Programme for Economic Co-operation among Non-Aligned
Countries.

The participating countries may wish to give consideration to the following points
in the course of their deliberations:
(i) the need for self-reliance as a condition for development based on the extensive exploitation of the economic, natural and human resources of the individual country;

(ii) complementarily, the need to be able to rely on adequate international co-operation, especially in the field of trade, finance and technology;

(iii) the need for mutual co-operation among non-aligned countries.

(d) Special measures in favour of the least developed of the developing countries, including land-locked countries

The participants will undoubtedly approach this matter in the spirit of the resolutions already adopted at UNCTAD, ECOSOC and the United Nations General Assembly.

(e) Promotion of favourable trends in regional, inter-regional and international economic co-operation

The participants will probably consider this matter not only in the light of the importance of regional integration agreements in general but also taking into account related topics such as producers' associations.

(f) Advancement of co-ordination of action of non-aligned countries on economic issues at the United Nations and other fora

This is a matter of outstanding importance in view of the forthcoming major international economic events (the GATT Ministerial Meeting, the United Nations General Assembly, etc.) and the need to co-ordinate action so as to ensure that such resolutions as are adopted in favour of developing countries are effective.
The Conference stresses, as the major historic event since the Lusaka meeting, the signing of the Paris Agreement on the cease-fire and restoration of peace in Viet-Nam, endorsing the basic national rights of the Vietnamese people and the right to self-determination of the population of South Viet-Nam. The Agreement confirmed that no power, however great its economic resources and military potential, can in the present-day world impose its dictates on a small country determined to fight for control of its own destiny.

The Conference expresses its satisfaction at the signing of the Paris Agreement on Viet-Nam and regards the victory of the Vietnamese people as a common victory for the great family of non-aligned countries and for all peoples struggling against imperialism, colonialism and neo-colonialism for peace, national independence, democracy and social progress.

The strength of peoples, countries and States working for peace, freedom, and national independence has been decisively demonstrated by the aid given to the Vietnamese people and is an endorsement of the stand maintained by the non-aligned countries throughout the imperialist aggression in Indo-China.

However, the United States' obstinacy in continuing to uphold neo-colonialism in South Viet-Nam by supporting the Saigon administration and encouraging it to commit grave and systematic violations of the clauses of the Paris Agreement, use force against Cambodia and impede the establishment of peace and national harmony in Laos renders the situation in the Indo-China peninsula extremely tense and threatens peace and security in that part of the world.

The Conference highly commends and fully supports the responsible stand taken and the good-will shown by the Government of the Democratic Republic of Viet-Nam and the Provisional Revolutionary Government - the only genuine representative of the people of South Viet-Nam - in implementing the Paris
Agreement and the Act of the International Conference on Viet-Nam and the Joint Communique of 13 June 1973, and urges the United States' Government and the Saigon administration to respect and implement the above-mentioned agreements in a strict and serious manner.

The Conference reaffirms the unwavering moral, political and material support of the non-aligned countries for the just struggle of the Vietnamese people until final victory, and calls for the widest diplomatic recognition of the Provisional Revolutionary Government of the Republic of South Viet-Nam by the great family of non-aligned countries.

The Conference also calls for a halt to the bombing of Cambodia which is preventing the Cambodian patriots from bringing about a rapid and victorious conclusion of the struggle by which they hope to achieve independence and peace. The participants declared that the Royal Government of the National Union of Cambodia, presided over by the Head of State, Norodom Sihanouk, is the lawful government of Cambodia.

With regard to Laos, the Conference condemns the dark designs of the extreme right-wing forces in Laos, which, supported by the United States, are obstructing the implementation of the Vientiane Agreement, and supports the Laotian Patriotic Front and the other political forces in the struggle to form a national coalition government and build a peaceful, independent, neutral, democratic united and prosperous Laos.
DRAFT DECLARATION OF THE 4TH CONFERENCE OF HEADS OF STATE AND GOVERNMENT OF NON-ALIGNED COUNTRIES AT ALGIERS

1. The 4th Conference of Heads of State or Government of non-aligned countries was held in Algiers from 4-8 September 1973. The following countries were present:

The following countries attended the Conference as Observers:

The following attended the Conference as Guests:

2. The participants observed that more than half of the Member States of the international community representing over 75% of world's population took part in the Conference. This is an index of the vitality and dynamism of Non-alignment.

3. The participants exchanged views on the world situation and the role of Non-alignment. They noted that the evolution of international affairs has confirmed the continuing validity of Non-alignment and vindicated the principles enunciated in the declarations of Belgrade, Cairo and Lusaka. They considered the various means by which non-aligned countries could intensify their co-operation and collective action in favour of world peace and progress and make constructive contribution to the reduction of tensions and the increase of co-operation among the nations of the world.

4. Twelve years ago, at their first Summit meeting in Belgrade, non-aligned countries had rejected the inevitability of Cold War, and urged that the principles of peaceful co-existence offered the only alternative to it. At that time, international events had taken a turn for the worse, the danger of imminent nuclear war loomed large and world peace was seriously threatened. Since then, the immediate danger of direct armed conflict between the great powers has lessened and trend towards detente and co-operation has gained momentum.
5. The non-aligned countries welcome the process of detente and the efforts towards relaxation of international tensions through negotiations which they have so long advocated. They express satisfaction that this trend has led to positive developments in Europe: in the 4 power Agreement on Berlin, the Treaty between the two German States and between the FRG and other countries in Eastern Europe, and the convening of the Conference on European Security and Co-operation.

6. This trend has also been reflected in the intensification of contacts between the Soviet Union and the United States and the United States and the Peoples Republic of China. It has led to important agreements between the USA and the USSR for the limitation of armaments and for the prevention of nuclear war.

7. The non-aligned countries are convinced that these developments, though encouraging, give no ground for relaxing vigilance on behalf of peace, independence and justice. It is of paramount importance at the present time to continue working actively for the maintenance and consolidation of world peace, equal rights of all nations and an equitable sharing of the resources of the world among all peoples.

8. Hot-beds of conflict still persist in the world. The use of the policy of force or threat of force, direct or indirect, continues. Various forms of pressure aimed at subverting the independence of action of nations and of interference intended to erode the exercise of sovereignty by their peoples particularly in the disposal of their natural resources in the best interests of their welfare and progress are practised. The ugly head of imperialism, colonialism and racialism is still raised, sometimes openly and in other situations more insidiously.

9. It is not yet certain if the new and more realistic relations between the great powers point in fact towards a more stable and just world order. The old concepts of balance of power and spheres of influence are yet to be finally laid to rest. An enduring structure of co-existence, co-operation and universal collective security can be built only through a genuine democratization of international relations rooted in the sovereign equality of all nations and involving the participation of all nations, on an equal basis in the making of decisions affecting their destinies.

10. The gulf between the affluent and the developing continues to widen. The necessary will on part of developed countries to undertake and implement clearly defined commitments for the establishment of a more equitable economic structure is not yet manifest. Instead, there are efforts to confine decision making affecting all countries
to a few countries to exercise economic coercion and to deny to developing countries full sovereignty over their own resources as well as an equitable share in the resources which are the common heritage of all mankind.

11. All these factors detract from the consolidation of international peace and justice. The non-aligned countries are determined to continue working for the elimination of these factors, and to intensify their mutual co-operation with a view to strengthening peace, promoting the democratization of international relations, and the acceleration of their own self-reliance and economic growth. To this end they reaffirm the principles and basic aims of non-alignment enshrined in their last Declaration at Lusaka in 1970.

12. In welcoming the trends towards relaxation of tension through negotiations, non-aligned countries point to the need for extending them to all regions of the world. They hope also that they will not lead to decisions which affect other nations, big or small, without full consideration of their legitimate interests. Any tendency towards creation of new spheres of influence in the guise of balance of power must be resisted. The arming of smaller nations by big powers, which was once justified on grounds of cold war compulsions, now continues in the name of maintaining regional balances. This induction of armaments into various regions aggravates tensions instead of promoting stability. The continuance of military alliances in the context of great power rivalries remains a source of tension, and their dissolution remains a fundamental goal of non-alignment, as also the dismantling of foreign military bases on the territories of other nations, particularly those established or maintained against the express wish of the country concerned.

13. The Non-aligned countries note with deep concern and regret that no progress had been made towards a solution of the Middle East crisis. They consider that the responsibility for this situation rests with Israel which has not only not taken any steps to vacate the aggression committed by it in 1967, but is perpetrating new acts of aggression on its neighbouring States. The participants call for the immediate, complete and unconditional withdrawal of Israeli forces from all Arab territories occupied in 1967. They also affirm that the solution based on the implementation of Security Council Resolution No. 242 and the recognition of the inalienable rights of the Palestinians can lead to a just and enduring peace in that part of the world.
14. While welcoming the ending of the long and devastating war in Vietnam and Laos which they had been urging all these years, the non-aligned countries are deeply concerned that peace has not yet been fully restored in Indo-China. They stress the indispensability of the full implementation of the peace agreements in Vietnam and Laos and call for the immediate cessation of all outside interference in the affairs of Cambodia, so as to enable the people of the various States of Indo-China to realise their legitimate rights to freedom, independence, sovereignty and territorial integrity, and to decide their future according to their own interests, without any external interference.

15. The persistence of colonial and racial exploitation in Africa is a continuing threat to peace as well as an affront to human values. The non-aligned countries affirm their total and unconditional support for the people of Zimbabwe, Namibia, South Africa, Guinea Bissau, Angola and Mozambique in their respective struggles for national liberation, independence and equal rights. They declare that attempts to repress or subvert these legitimate struggles will never succeed and efforts to extinguish the flame of freedom, as in other areas, will only result in greater conflagration, with even more serious consequences to international peace and security. They denounce these efforts of racist and colonialist regimes of South Africa and Portugal and the illegal regime of Southern Rhodesia in defiance of world opinion and condemn the economic and military support extended to them by various western powers. They call upon these powers to join with the international community in securing full implementation of relevant United Nations Resolutions and the extension of Security Council's enforcement measures to achieve this end. The non-aligned countries endorse the Oslo programme of action and are determined to continue and intensify their co-ordinated efforts for the elimination of colonial, racist, imperialist and neo-colonial domination everywhere.

16. The realization of full independence in Latin America is an essential element in the general process of emancipation of developing countries and the strengthening of international peace and security. The non-aligned countries support the efforts being made in Latin America for the consolidation of national independence and territorial integrity, the recovery of natural resources, reassertion of sovereignty and the building up of a society assuring economic and social justice and progress to all their people. Attempts to obstruct or subvert these efforts, or to pressurize the countries concerned will only
lead to aggravation of tensions and jeopardize peace in the area. The non-aligned countries note with satisfaction that non-alignment is meeting with increasing interest and acceptance in Latin America.

17. While recent developments in connection with the limitation of nuclear armaments and the prohibition of certain categories of weapons of mass destruction are important, non-aligned countries believe that lasting peace can be based only on total disarmament. They reiterate their support for general and complete disarmament, including in particular nuclear disarmament under strict and effective international control. They call for the total elimination of all weapons of mass destruction and the prohibition of the further development and manufacture of such weapons. They urge the early convening of a World Conference on disarmament with the participation of all countries so as to focus attention on this urgent problem and to find effective solutions to it.

18. In the context of the need to eliminate great power rivalry in various parts of the world and to reduce tensions, the non-aligned countries support efforts for the creation of zones of peace in different regions. These should be based strictly on the purposes and principles of the United Nations Charter. The non-aligned countries welcome efforts made so far to implement the United Nations Declaration of the Indian Ocean as a Zone of Peace, and urge the great powers and major maritime nations to co-operate fully with littoral and hinterland states to secure the early realization of the objectives of the Declaration.

19. The non-aligned countries consider that the growing gap between the industrially developed and developing countries constitutes a threat to world peace. They reiterate the urgent need to take measures to bridge this gap. The gap in incomes continues to widen and the terms of trade are deteriorating to the progressive disadvantage of developing countries. The existing structure of international legal norms and economic decision making is strongly biased in favour of the interests of developed nations. The aims of the Second Development Decade are far from nearing realization. The dangers inherent in this bleak and worsening situation need careful attention and urgent remedial action. Non-aligned countries are determined to continue to exert all efforts to contribute to this end, and to co-operate fully with all countries in the search for speedy and effective solutions.
20. At the same time, the non-aligned countries realize that the primary responsibility for their economic and social development rests upon themselves, and that they must move towards greater self-reliance in co-operation with each other. They endorse the Action Programme for economic co-operation among non-aligned countries adopted at Georgetown in 1972 and direct their Ministers to continue action oriented consultations for the further implementation of this programme in accordance with the guidelines given to them by this Conference.

21. The non-aligned countries declare their support to the United Nations and emphasize the need to increase the effectiveness of this World Organisation in its endeavours to preserve peace, guarantee universal Security, and develop international co-operation in accordance with the purposes and principles of the United Nations Charter. The non-aligned countries underline the need for the speedy realization of the principle of universality in the membership of the Organisation. In this context, they welcome the decision of the Security Council to recommend the admission of the GDR and FRG to the General Assembly, and hope that the principle of universality will further be implemented to facilitate admission of other States. The non-aligned countries will continue to co-ordinate closely their activities at the 28th General Assembly in pursuit of their commonly held ideals and principles, with special reference to the more specific recommendations made by this Conference.

22. The participants reaffirm the principles and objectives of Non-alignment and resolve to work, in unity and with determination, to achieve world peace, equality of nations and an equitable sharing of the resources of the world among all peoples.

To this end, the participants have agreed:-

(i) To strive by all means at their command to translate into action the principles of Non-alignment as a basis for international relations.
(ii) To continue their efforts for the dissolution of great power military alliances and the dismantling of military bases established in that context; to promote further relaxation of international tensions, ensuring universal security, including, in particular, the creation of zones of peace and co-operation and to encourage and support the process of detente in all parts of the world.
(iii) To intensify efforts to bring to an end all wars of aggression and foreign occupation of territory.
(iv) To consult and co-operate as and when necessary in taking concrete steps to safeguard against any threats to the independence, sovereignty, security and territorial integrity of non-aligned countries.
(v) To maximize joint efforts for the liquidation of all remaining traces of colonialism and racial discrimination in all their manifestations and, in particular, to render all possible material, political and moral support to the national liberation movements.
(vi) To co-operate actively in achieving more meaningful steps towards general and complete disarmament and more particularly nuclear disarmament under strict and effective international control.
(vii) To assert the right of all nations, big or small, to participate in international relations effectively and on an equal basis; and to work towards a genuine democratization of international relations so that a just world order can be evolved in which all nations can contribute equally to the achievement of world peace and progress.
(viii) To resist all attempts towards the creation of new spheres of influence to the detriment of freedom and independence of smaller nations; and to ensure that all forms of pressure and interference in the internal affairs of countries intended to limit or deny the exercise of their sovereignty, including the management of their people, are eliminated.
(ix) To unite and strengthen efforts among the developing countries and between them and the developed countries for bringing about the speedy improvement in the structure of international economic, trade and financial relations and the establishment of international co-operation so as to reduce the gap between developed and developing countries.
(x) To assert the right of all countries to strive for the economic and social development of their peoples.
(xi) To strive for greater mutual co-operation in the economic, technical and scientific fields in their pursuit of economic self reliance and independence.
(xii) To continue joint action to achieve full universality and to improve the
efficacy of the United Nations as an instrument for ensuring world peace and
security as well as for advancing economic progress and human welfare of all
peoples and with this end in view to seek appropriate reforms so as to make
the United Nations system more responsive to the needs of the developing nations.
AGENDA ITEM 8(f)

DRAFT STATEMENT ON THE FORTHCOMING CONFERENCE ON THE LAW OF THE SEA

1. The Heads of State and Government of Non-aligned countries recalled the statement on the Seabed adopted at Lusaka and reviewed the progress made since then. They noted with satisfaction that the Declaration of principles adopted by the UN General Assembly in 1970 was in consonance with the principles enunciated in the Lusaka statement on the Seabed and that these principles have continued to guide the work of the UN Seabed Committee. They also noted with satisfaction that the suggestion made at Lusaka for the convening of a conference on the Law of the Sea to deal with all related questions concerning the marine environment in a comprehensive manner has been accepted by the international community and embodied in General Assembly resolution 2750. They expressed their regret, however, that the original target for the holding of the Law of the Sea Conference in 1973 has not been achieved and that the preparations in the UN Seabed Committee for the Law of the Sea Conference now scheduled to be held in Santiago in 1974 have not proceeded at the expected pace.

2. The participants reaffirmed the basic principle that the Seabed and the Ocean Floor and the Sub-Soil thereof beyond the limits of national jurisdiction, as well as the resources of the area, are the common heritage of mankind. They expressed their conviction that this and other principles contained in UN General Assembly Resolution 2749(XXV) alone could provide a sound foundation for a future Law of the Sea.

3. The participants noted with interest and concern the recent technological advances in respect of the exploration and the exploitation of the Seabed, which had brought mankind to the threshold of a new era. This rendered the early adoption of a comprehensive Law of the Sea all the more imperative. They stressed the need for scrupulous adherence by all countries to the Declaration of principles adopted by the UN General Assembly in this regard. In particular, they called upon all countries to ensure that, pending the adoption of one or more Conventions on the Law of the Sea and the Seabed by the forthcoming conference, and their entry into force, they shall strictly abide by the Declaration of principles and shall refrain from engaging in or authorizing
seabed exploration and exploitation by their nationals or by other persons, natural or juridical, under their jurisdiction or control.

4. The Conference recognized the rights of coastal States to exercise sovereignty over natural resources - living or otherwise - falling within the limits of their national jurisdiction and called for the elimination of all forms of foreign intervention or pressure aimed at violating the rights of coastal States to exploit their marine resources in the interests of economic development and well-being of their peoples. The conference also noted that recent technological advances have made it possible to exploit the resources of the sea more intensively and for a variety of purposes and that such resources, especially the living resources, are not inexhaustible. The Conference, therefore, emphasized the need to evolve a fair and viable Law of the Sea.

5. The participants emphasized the positive role that the Non-Aligned Countries have played and shall continue to play in the preparation for the Law of the Sea Conference. They expressed their resolve to spare no efforts to achieve a just and equitable Law of the Sea and the Seabed which would provide for, and ensure, an orderly exploration and exploitation of the Seabed beyond the limits of national jurisdiction and a rational management of its resources, bearing in mind the special needs and interests of the developing countries, whether coastal or land-locked, and which would provide a framework of regulations for other uses of the sea, including those relating to the exploitation of its living and other resources by establishing an exclusive fishery and economic zone for the coastal States. They reaffirmed their determination to co-operate fully in working for the achievement of a set of principles and rules of universal application which would define the nature and scope of the rights of States as well as their duties and responsibilities with regard to the different spheres of the marine environment.
ITEM 8(f) INDONESIA

THE POLICY OF NON-ALIGNMENT AND THE FUTURE CONFERENCE ON THE LAW
OF SEA TO BE HELD IN SANTIAGO, CHILE, IN 1974.

1. International law of the sea in the past has been largely developed through the
practices of European and other states which to a larger extent were colonial powers.
Hence, International Law has been generally advantageous to those colonial powers
which, to a large degree, were, and some still are, maritime powers. The Geneva
Conference of 1958 and 1960, to certain degree, did attempt to correct this situation.
Since 1958 and 1960, however, a great number of states in Africa and elsewhere have
achieved independence, which states had not participated in the Geneva Conference of
1953 and 1958. This development, together with the developments in technology and
in relations between the big powers, have created the need within the last several
years to review some of the traditional rules of international law as well as some of

2. Most of the states which are now members of the United Nations emerged from
colonial domination. Their interest in the Law of the Sea have not generally been
protected. Since these states now form the majority of the international community,
the future Conference on the Law of the Sea should be directed as far as possible to
protect and to promote the interests of these states, thus remediying the deficiencies
and anomalies found within the traditional concept of international law of the sea.

3. The most serious anomaly in the contemporary law of the sea is the continued
adherence to the traditional concept of the freedom of the seas, ignoring the great
changes in political geography and those brought about by modern technology. The
freedom of the seas doctrine has been used by the big maritime powers:
   (a) To roam and dominate the oceans, and through their powerful dominations of
       the oceans, to divide and rule other countries;
   (b) To exhaust the living resources of the oceans, sometimes even to the point
       of endangering the livelihood of coastal peoples in remote countries; and
   (c) To misuse the oceans for purposes which might endanger world peace and order,
       such as to conduct nuclear weapons tests on the oceans.

Al-72-34
4. A large majority of the present members of the United Nations and a large majority of the present states in the world are members of the family of developing states. Most of these developing states are also members of the family of states which adhere to the policy of non-alignment. It should therefore be an objective of non-aligned conference to attempt to protect the interests of these developing countries in the future Conference on the Law of the Sea. This is consonant with the objectives of the policy of non-alignment in general, namely to promote world peace and order, either through political actions or through economic developments, especially of the developing countries.

5. In attempting to formulate policies with regard to the Law of the Sea, the non-aligned countries might attempt to take into special consideration two important aspects, namely the resources and the non-resources aspects:

(a) On resources aspects, the non-aligned countries should work together to assure the maximum utilization of the resources of the sea to develop the national economy of the developing coastal states, particularly those which are members of the non-aligned group. The resources should include both living and non-living resources, either in the water column or on the seabed and subsoil thereof.

(b) On non-resources aspects, the non-aligned countries should work together to assure that the future law of the sea must be able:

1. To protect the security and political stability of the developing coastal states, especially those of the non-aligned countries; thus contributing to the promotion of regional and world peace and security.

2. To promote world peace and security by minimizing as much as possible the potential conflict and confrontation between states, especially between the great powers and the non-aligned coastal states.

3. To preserve the marine environment and the ecology of the sea for the benefit of all. The existing international law which stresses on the "freedom" of the seas, thus in some cases means "freedom" to pollute the seas, should as far as possible be abandoned in favour of the regulated use of the oceans.

6. At this point it should be pointed out that the choice for the non-aligned countries is not between the resources or non-resources aspects, but both. The attainment of resources jurisdiction alone, although very significant, is not enough. Some of the developing non-aligned countries put more emphasis on the non-resources aspects in order to safeguard their national political stability and unity. This is particularly true of the archipelagic states.
7. It is of course true that the non-aligned countries are not always coastal states. Some of them are land-locked, shelf-locked and countries with short coastlines. The interests of these group of non-aligned countries must be protected also. The non-aligned countries, whether coastal or not, should find an equitable accommodation in order to preserve common positions at the coming Conference on the Law of the Sea. It is suggested that the principle of equitable accommodation to specific interests of these geographically disadvantaged states should be recognized. Its modalities and detail arrangements could be worked out on a bilateral or regional level.

8. Based on the above considerations, it is therefore essential for the Conference of Non-Aligned Countries to take a common stand on, inter alia, the following items during the next Conference on the Law of the Sea:

(a) The establishment of an international regime and machinery to administer the seabed area beyond national jurisdiction, taking into account the special interests of the developing countries, whether coastal or not.

(b) The recognition of the concept of economic zone, patrimonial sea, epicontinental sea, and other similar concepts. The non-aligned countries should attempt to unite these concepts in order to strengthen the position of the developing countries in the next Conference on the Law of the Sea.

(c) The recognition of the concept of archipelagic states which covers both resources and non-resources aspects.

(d) The recognition of the principles of innocent passage for navigation through territorial seas, including through straits used for international navigation, and through the straits of the archipelagic nation.

(e) The recognition of the principles that scientific research within national jurisdiction can only be conducted with the express consent of the coastal states, and that fishing on the high seas beyond economic zone must be regulated regionally or internationally.

(f) The recognition of the principle that the seas and the oceans can only be used for peaceful purposes; and for this reason, more and more seas and oceans should be declared as area of peace and neutrality. The idea of nuclear free zones and demilitarization of the oceans should be promoted. Equally, nuclear weapons tests on the oceans should be abandoned.

(g) The recognition of the principle that land-locked, shelf-locked and other geographically disadvantaged geographical location should not be a serious
hindrance for them to enjoy economic developments from the appropriate resources of the oceans which have been declared as the "common heritage of mankind", as well as to contribute significantly to the maintenance and promotion of peace and order in the seas and oceans.

9. The above mentioned positions should be incorporated as much as possible in the result of the Non-Aligned Conference, preferably in the form of a Declaration or Resolution.
REGIONAL CO-OPERATION

I. THE RATIONALE OF REGIONAL CO-OPERATION

1. An outstanding feature in the evolution of international economic relations in the last decades has been the tremendous growth of regional co-operation and integration. We have witnessed in this regard the emergence of regional and sub-regional co-operation arrangements, such as the European Economic Community, European Free Trade Area, East African Community, Arab Common Market, Association of Southeast Asian Nations, to mention only a few examples.

2. Regional economic co-operation is more general than regional economic integration. The latter involves a high degree of commitment in economic planning and harmonization of economic policies, including sacrifices leading to the surrender of economic sovereignty for the sake of greater benefit for each member country. Regional co-operation includes all types of joint co-ordinated action in the economic field between countries of the same region. Such action may encompass the formation of a free trade area (abolition of trade barriers between member States), a customs union (establishment of a common policy towards non-member countries), a common market (free movement of factors of production as well as commodities within the area) or a complete economic union between the member States.

3. There is a set of interrelated factors which accounts for the continuous evolution to regional co-operation and integration in our contemporary world, such as technological progress, economic considerations and geographical factors. However, it is generally agreed that the origin of the movement towards regional co-operation and integration, in most cases, has been essentially political in nature. Prominent among the inducements to Western European unification was the desire to be reckoned with in the world of giants, typified by the United States of America and the Union of Soviet Socialist Republics. Integration was regarded as a means of building up strength of...
Western Europe in the conflict with the East. Another motive was the desire to create a counterweight to the overwhelming predominance of the United States in the western world, and ability to stand on its own feet and pursue policies independent of the United States.

4. In the developing countries, the overriding motive underlying efforts towards closer economic ties with one another, was the dissatisfaction with their continuing role as mere economic appendages of one or another former colonial power, which did not accord with their aspirations of political and economic independence. The creation of large economic grouping among the developed countries, which the developing countries rightly or wrongly believe, are pursuing policies detrimental to their trade and economic interest, has also been an important consideration in the creation of a common front among the developing countries.

5. The most popular economic argument in favour of regional co-operation and integration, has been the attainment of a more efficient allocation of resources and factors of production, the realization of economies of scale or mass production and specialization through the establishment of an enlarged market. The unprecedented technological progress in the developed countries, by generating an increasing outflow of new products and processes has been instrumental in bringing about structural changes in the geographical pattern of international trade. In the age of nuclear power, electronic computers and highly automated factories, involving huge financial outlays, the need for a larger market is obvious if the maximum benefit is to be derived from the new scientific achievements.

6. Regional co-operation among the developing countries have been considered as a means to overcome the problem of persistent tendency towards external imbalance associated with the development process or the so-called "trade gap problem". The export earnings of developing countries have failed to rise commensurately with the steeply growing needs of foreign exchange required for their development. On account of structural and a variety of other reasons low income elasticities of demand for traditional agricultural products, inroads by synthetics on natural products,
agricultural self sufficiency measures by the developed countries etc, the prospects of substantially increasing export earnings from traditional export commodities is fairly limited. The studies undertaken by the United Nations generally advocate increased efforts at the regional level, firstly, a greater measure of import substitution through regional and sub-regional programmes of intra-regional trade expansion and complementary industrial development. Secondly, to step up the regions exports particularly of manufactures to the developed countries which are considered the dynamic export market.

7. Given the size of the markets and the stage of technological progress, import substitution policies can make an appreciable contribution to development only if carried out on a regional, rather than national basis. Capital is scarce in the developing countries. The possibilities of achieving economies of scale are not the only justification for a regional approach to import substitution. The absence of trade barriers among member countries of a free trade area or common market can act properly as a spur to efficiency, which is an essential precondition before embarking on the export orientation of the industries.

3. Obviously the effectiveness of import substitution policy applied at the regional level by a common market of developing countries has its limitations. First and foremost, beyond a certain point import substitution becomes increasingly difficult and costly. Several factors account for this: the lack of natural resources; the technical complexity of certain industries; the inadequate scale of production even in common markets or free trade areas of developing countries; due to the limited size of the market in terms of its purchasing power. Secondly, there is the problem of keeping up with the steady advance in technology. If the developing countries were to closet themselves within their own groupings they would be lagging behind continuously in the march of technological progress.
9. The inherent limitations of import substitution policies as a spur to economic development and the need for increased export earnings have led to a shift to an export orientation policy. Obviously the problem of narrowing the potential trade gap must be tackled on both fronts, by import substitution at the regional level and increased exports of manufactures to the world markets.

10. Another important consideration for the formation of regional groupings among developing countries have been the improvement of a country's competitiveness in the international market or the problem of comparative disadvantage. This competitiveness is determined by a complex of many factors, such as the natural resources endowment, the stage of development and structure of industries, availability of capital and public overhead capital, quantity and quality of available labour and conditions of access to markets.

The multilateral framework governing international trade relations based on the doctrine of world-wide multilateral free trade on a non-discriminatory basis, embodied in GATT, ignored the existence of structural differences between industrialized and peripheral countries. This has been amply proven by the failure of developing countries to derive equal benefits from the unprecedented expansion of international trade in the post-war era.

The growth of regional preferential arrangements has been a living testimony of the inappropriateness of the GATT doctrine of world-wide multilateral free trade. Regional co-operation among developing countries must therefore be considered as part of the effort of developing countries to overcome their predicament of relative disadvantage borne out of the different structures in and levels of development.

II. THE BENEFITS OF REGIONAL CO-OPERATION

11. The benefits of regional co-operation beyond the obvious economies of integrated development can be enumerated as follows:

(a) Regional co-operation will enable developing countries of a regional or sub-regional to strengthen their bargaining position on export products of common interest.

A joint and collective representation to safeguard their trade interests, especially against large economic groupings, will bear more weight than individual representation.

(b) Regional co-operation among developing countries will prevent an excessive dependence on a certain market of the industrialized countries with the potential political dangers that may ensue.
Regional co-operation in the form of joint action limited to a particular sector of activity, will be conductive for the development of a state of mind and attitudes, on which regional co-operation of an advanced stage could be further evolved in the future.

Regional co-operation will create a more favourable environment for the co-operation of foreign investment. While at the initial stage it would be too much to expect governments of a region to harmonize their investment plans on a large scale, a commitment to a relative free trade within the region may encourage sub-regional interdependence through the co-operation of foreign firms, and multinational ventures.

III. OBSTACLES TOWARDS REGIONAL CO-OPERATION

12. Problems hampering efforts of developing countries towards regional co-operation among developing countries can be summarized as follows:

(a) Difference in levels of development
Differences in the levels of development have been considered as a major impediment towards regional co-operation among developing countries.

(b) Similarity and competitiveness of the economies
Similarity and competitiveness of the economies may be cited as obstacles towards regional co-operation. While it is true that the economies of the developing countries are predominantly agricultural, the over-riding consideration of regional co-operation is the establishment of efficient export-oriented industries, which require an enlarged market for the efficient allocation of resources and endowment factors. The major objective of regional co-operation is the exploitation of internal and external economies.
Fear of balance of payments difficulties
A serious deterrent of regional co-operation, involving trade
liberalization measures among developing countries has been in many
cases the fear of balance of payments difficulties resulting from a
faster rise of imports than of exports. Countries whose balance of
payments are under pressure and whose foreign exchange reserves are
low, will therefore be very reluctant to accept liberalization obligations
unless adequate resources are available beforehand to deal with the
resultant risk of balance of payments difficulties. Although this
problem does not affect all developing countries, it is important in many
of them (including many of the economically large ones) and is superimposed
on the numerous difficulties which developing countries face when they
envisage liberalization among themselves.

IV. TECHNIQUES AND APPROACHES FOR TRADE EXPANSION AND ECONOMIC CO-OPERATION
AMONG DEVELOPING COUNTRIES

13. There are various techniques and approaches to expand trade among developing
countries. The techniques for trade expansion can be divided mainly into two
groups. Those which require trade liberalization, i.e. uniform commitments and
national lists for reduction of tariffs and those which can assist trade expansion
but do not necessarily involve liberalization, i.e. bulk purchases, and state
trading, commodity stabilization measures and export promotion measures.

V. REGIONAL CO-OPERATION IN ASIA
14. At present, there are several types of regional co-operation in Southeast
Asia such as: ECAFE, ASEAN and MINISTERIAL CONFERENCE for ECONOMIC DEVELOPMENT OF
SOUTHEAST ASIA, in which Indonesia is a member and an active participant.

ECAFE, as a regional arm of the United Nations, is more a deliberative body
where plans and concepts of regional co-operation are being discussed. ECAFE has
played a major role as a vehicle and catalyst for regional co-operation in Asia.
Although for some time there were already regional projects in existence under the
aegis of the ECAFE such as Mekong Project, the Asian Highway etc., it was not until
1968 that a comprehensive approach to co-operation between developing countries in
this region has been undertaken, marked by the adoption of an Integrated Strategy for Asian Economic Co-operation at the Third Ministerial Conference on Asian Economic Co-operation of ECAFE. A commodity type of regional co-operation is that of the Association of Natural Rubber Producing Countries, between Indonesia, Malaysia, Thailand, Singapore and Ceylon. Its main objectives is to stabilize the price of natural rubber at a level still remunerative to producers, in the face of the heavy competition of synthetic rubber, which eventually will be carried out through a co-ordinated marketing system.

A similar type of arrangement is that of the Asian Coconut Community and the Pepper Community. Other regional projects in the field of trade, industry, transport and communications etc. are still in the initial stage. As to the implementation of such regional co-operation programmes, there are divergent views among member countries. Some of them, including Indonesia, feel that such programmes should be carried out on a sub-regional basis, due to the limitations and constraints of a region-wide co-operation.

The proximity of the geographic situation of the member countries, the cultural affinity and other factors of economic nature, make co-operation in the sub-region a healthy and viable proposition. In the short span of time of its existence ASEAN has already proved a useful instrument for mutual accommodation in the sub-region of Southeast Asia and will become increasingly important as a regional framework to protect, foster and develop the common interest of the countries involved. Special reference is made to the dialogue started with the EEC, through SOCAN (Special Co-ordination Committee of Southeast Asian Nations) as a machinery for joint and collective action of ASEAN and to the proposals presented by the United Nations Team on Regional Co-operation possibilities of ASEAN with a view to embodying it in the respective plans of development operating in the respective countries.
VI. PROSPECTS OF REGIONAL CO-OPERATION IN ASIA

15. There are wide differences in the economic structure, level of development, resource endowment, population and the size of the countries of Asia. These factors account for the rather slow and limited progress in regional co-operation in this region. Although in the last few years some headway has been made, still the progress is slow and the path towards co-operation beset by many difficulties. The different historical, cultural and political backgrounds of the countries in Asia make it necessary that a more limited approach to regional co-operation be adopted, in order to ensure a greater chance of success. The realities in many countries in Asia show that, a good deal of their production patterns are still oriented to the needs of the markets of former metropolitan countries. Although considerable efforts have been made to change this structure, the time is still too short and the difficulties encountered too big, to arrive at radical transformation of the patterns of production to meet the needs and the challenge of a changing world. There is lack of capital input needed for new ventures in industries, for diversification efforts to depart from traditional production of crops which no longer find suitable markets. Lack of complimentarity clearly hampers efforts to expand intra-trade in the region. Therefore this complimentarity should be purposely created. It is recognition of these difficulties that the widest possible flexibility is applied rather than the acceptance of far-reaching commitments from the outset.

16. The rapid changes in the political relations among states, and especially among the major powers of the world, and recent developments which have taken place in our region are bringing about new configuration in the geopolitical structure of our region. Beside the economic factors, the problem of the preservation of stability and security features prominently in such considerations. Similarly, sub-regional groupings such as ASEAN will acquire a new significance due to the changing political map of the region. While there will be increased co-operation in the political field, we have to recognize that we are still quite a distance away from full economic co-operation and integration, at the regional as well as sub-regional level in Asia.
17. A notable development has been registered in the trade field, in that intra-regional trade has expanded at a faster rate than with countries outside the region.

As far as intra-trade among developing countries themselves is concerned, the many constraints and limitations to a more active exchange of goods as mentioned earlier are still valid.

It might be recalled that attempts have been made in ESCAP to set up a scheme for an Asian Trade Expansion Scheme. In support of such a scheme, it is proposed that all mutual transactions among member countries will be cleared through a regional centre called the Asian Clearing Union, whereby ultimately only net outstanding balances will be cleared in convertible currencies.

Major benefits ascribed to such a clearing union, would be savings in the use of foreign exchange and in the transaction costs. However, one should not forget, that the added costs of clearing and settlement will have to be subtracted from the costs saved by foreign transaction, and unless the scheme is sufficiently large, it will not be workable.

It is well known that for many countries in the region tariffs are the main source of income, and as such it would be very difficult to replace them. Similarly, rightly or wrongly, infant domestic industries, mostly for import substitution purposes will for some time to come continue to need the tariff protection against external competition.

18. The similarity of produce almost entirely agriculture, and the non-complementarity of economic structures of the regional countries will not be a good basis for an active exchange of goods. Co-operation with regard to these agricultural products must be sought in schemes of joint marketing and the setting up of producers alliances with a view to strengthening the bargaining position of the countries concerned. The situation will perhaps be different, if those countries have already reached the stage whereby the infra-structure for the initiation of industries can be started, in which case such problems as economies of scale and the widening of markets will become a necessity for co-operation among a group of countries.
It will then become also necessary to come to a certain division of labour and some sort of plan harmonization, based on the available endowment factors, natural as well as human resources. Even in such a case, only a limited co-operation among a selected group of countries can have a reasonable chance of success. Here again the sub-regional approach or the selective approach will be more realistic than a general approach comprising the entire region.

VII. PROSPECT OF ECONOMIC CO-OPERATION BETWEEN DEVELOPING COUNTRIES/NON-ALIGNED COUNTRIES

19. Generally speaking, the arguments in favour of regional economic co-operation between developing countries are equally valid and relevant in the effort to promote economic co-operation between non-aligned countries.

Economic co-operation between developing countries/non-aligned countries has the following constraints:

(a) different levels of development;
(b) similarity and competitiveness of their economies;
(c) equitable distribution of benefits;
(d) fear of balance of payment difficulties.

20. The many constraints and limitations for promoting interregional trade among developing countries are equally valid for intra-trade among non-aligned countries. Even on regional or sub-regional basis the lowering and abolition of tariff which follows trade liberalization at this stage in view of the importance of import duties as a main source of government revenue.

The establishment of clearing union which will serve as a centre for mutual clearance of net outstanding balance on convertible currency, has proven to be unworkable in many cases due to several constraints which derive from the foreign exchange systems of a number of developing countries.

21. As a collective self-help effort, economic co-operation between non-aligned countries could at the initial stage be more fruitfully undertaken through joint and collective representation to safeguard their common trade interests.

This will bear more weight than individual representation, especially where large economic groupings of advanced countries are involved.

22. Economic co-operation between non-aligned countries could provide an important means to prevent excessive dependence on a certain market of industrialized countries to diversify their exports.
23. Since many non-aligned countries/developing countries are at approximately the same level of development, complementary industrial branch agreements can be worked out.
24. Obviously it is difficult to apply a uniform approach to economic co-operation. A more limited and selected approach will have better prospects of attaining tangible results.
25. Economic co-operation schemes should by necessity not be limited to the non-aligned countries alone.
26. Sub-regional grouping and wide range of commodities arrangement of producers' association have emerged in the last few years which should be seen as a natural response to the need of more closely knit co-operation among a number/group of countries.
27. In the final analysis economic co-operation among non-aligned countries will depend on the willingness to display the necessary political will to achieve economic self-reliance through a collective effort.

VIII. RECOMMENDATIONS

1. The Indonesian Delegation recommends that the non-aligned countries intensify current efforts and initiate new ones in order to strengthen the regional economic co-operation among developing countries along the lines of the relevant recommendations of the Action Programme of the Group of 77, with special attention to:

   (a) identify group and sub-group action in relation to the research, production, trade promotion and marketing of commodities.

   (b) encourage and promote appropriate commodity action and particularly the protection of the interests of primary producers of the region through appropriate policies, such as the establishment of producers' associations.

   (c) co-operate among themselves for joint marketing of their products in third country markets, particularly the developed country markets.
2. Exchange of information on experiences in the field of foreign investment, to enable governments to undertake policy measures in which private foreign investment subserves national development objectives.

3. Insist on the untying of aid from developed countries, and to utilize it for procurement of goods already available in their region, which could contribute to the expansion of trade among them.
ECONOMIC ISSUES AND INTERNATIONAL ACTION AIMED AT ACCELERATING ECONOMIC AND SOCIAL PROGRESS OF NON-ALIGNED COUNTRIES (item 9)

I. Introduction

There is hardly any need to stress the importance of this agenda item, both with regard to its substance and as to its timing for consideration by the Summit Meeting of Non-Aligned States.

The Socio-Economic problems that the world beset today have almost all been identified and subjected to exhaustive scrutiny, not only during earlier Summit Meetings of Non-Aligned States but, even more so, at a number of international gatherings within the framework of the United Nations and outside the Organization.

Many of these problems, instead of being overcome, have in many instances even become more accentuated when the developing nations are just in the midst of efforts to implement and accelerate their development toward social and economic progress. It can be said that the problems of development faced by these countries may differ in nature, but they are in essence the same, generally bitter and hard, often even very bitter and very hard.

It is only seven or eight years ago that a multitude of socio-economic problems has clouded the development scene of Indonesia, but thanks to the hard work and the dedication of the people many of these problems have now been overcome or at least brought under control. Notwithstanding the progress it has made, Indonesia is presently no less concerned with the prevailing interplay of world economic forces which does not generally favour the developing nations. It believes therefore that now the global search for new structure and arrangements, new efforts and measures that will ensure accelerated economic development of our societies, in conditions that are materially satisfying and morally acceptable to all mankind. It is in this paper in which is described both Indonesia's experience in dealing with development problems and Indonesia's view on some fundamental issues appearing in the international socio and economic scene and having a special bearing on the developing countries.

It is intended as a contribution of the Indonesian Delegation to the work of the current Meeting in its consideration of this agenda item.
II. The Indonesia Experience in Development

For more than 2 decades since its independence, Indonesia has never given serious attention to development efforts. Instead, political issues were given top priority consideration to the detriment of economic and social development. As a consequence the economy of the country deteriorated rapidly and culminated in a chaotic stage in the years 1965/66 characterized by an annual hyper-inflationary rate of 650 per cent, a near breakdown of infrastructure facilities, a huge burden of foreign debts and a disorganized banking system and public administration.

It was only in late 1966 that Indonesia for the first time started seriously in stabilizing and rehabilitating its economy to further lay down the groundwork for future economic progress.

To bring semblance of order to the country in the shortest possible time a stabilization and rehabilitation programme was initiated in October 1966. To achieve that end the stabilization and rehabilitation programme was focused on controlling inflation through strict adherence to a balanced state budget, a selective credit policy, and the provision of a sufficient supply of the daily needs, especially food. The deficit in the state budget has been reduced to a minimum level and even entirely eliminated through a reduction in non-essential expenditures and an increase of government revenues. Furthermore, in the framework of controlling bank credits, the Central Bank gradually regained control over these credits issued either by state banks or by private banks. The measures demanded discipline and dedication, but it did indeed result in a notable recovery in the economic situation of the country.

The most striking achievement of the 4 years stabilization efforts was the substantial reduction of the rate of inflation from 650 per cent in 1966 to 10 per cent in 1969. Public confidence in the national currency was restored.

With respect to the settlement of Indonesia's huge foreign debts burden, efforts have been undertaken to seek an overall and final solution to this problem without endangering Indonesia's programme of economic stability and development. A series of negotiations with creditor countries aimed at providing Indonesia with financial relief in respect of debts incurred prior to 1 July, 1966, finally resulted in agreements which provide for the principal of the debts to be paid in 30 equal annual instalments. No new moratorium interest would be payable on these rearranged instalments, while payment of interest on the debt is deferred to the second half of the 30 years period. An option is provided whereby Indonesia could obtain further
relief by deferring part of the due repayment of principal in the earlier years to the later years of the period. Furthermore, the agreements also stipulate that the terms agreed upon will be subject to review any time after 1980 which could result, in the light of the economic situation of Indonesia at the time, in either an acceleration of the payment of principal and interest or a reduction in the amount of the interest payments.

Until now agreements have been concluded with almost all creditor countries including Bulgaria, Czechoslovakia, Federal Republic of Germany, France, German Democratic Republic, Hungary, Italy, Japan, the Netherlands, Poland, Romania, the United Kingdom, the United States of America and the Union of Soviet Socialist Republics.

Another major feature of the stabilization and rehabilitation programme was the rehabilitation of the infrastructure and productive capacity. The satisfactory implementation of this programme had created favourable conditions for the launching of the first Five-Year Development Plan on 1 April, 1969. The emphasis of the plan is on agriculture, agro-based and agro-supporting industries, and the development of infrastructure. Incorporated in the plan are the following policies: the increase of national product while at the same time ensuring an equitable distribution of income, rapid growth of employment opportunities, active participation of the people in the development process, and the optimal utilization of natural resources.

The plan is based on the recognition that development can only be successful if it relies primarily on its own resources. In meeting this objective Indonesia has set a series of measures to finance the development process through improving the tax system, increasing government's savings and stepping up export earnings.

In view of the limited availability of domestic resources to finance the development programme, whereas substantial capital inputs are required, external assistance is needed as a supplement.

In obtaining external assistance Indonesia consistently insists upon the softest possible terms and conditions. Based on loan agreements concluded so far, these terms and conditions, aside from outright grants, ranged from a repayment period of the loan of 25 years, including a grace period of 7 years, at an annual rate of interest of 3 per cent, to a repayment period of 50 years, including a 10 years grace period, without interest payment. Improvements in the terms of assistance have continually been effected during the past several years. Moreover, Indonesia has also obtained on an untied basis which provides the opportunity for procurement of goods and services from developing countries, including Indonesia itself.
Like external financial assistance, private foreign investment constitute another source to supplement the shortage of domestic capital skill and technology. In formulating the policy on private foreign investment Indonesia is guided by the principles that foreign private capital shall not infringe the country's right of permanent sovereignty over natural resources and shall subserve national development objectives.

To facilitate the growth of national enterprises and provide them with the much needed skill and technical know-how, Indonesia encourages private foreign investors to enter into joint ventures with national entrepreneurs.

There are two forms of participation by foreign investors in the development of Indonesia's mineral resources.

There are:
(a) Foreign company/capital is allowed to operate in the oil sector as a contractor of PERTAMINA (the only state owned oil company) based on a production sharing contract.
(b) Foreign company/capital is allowed to operate in all other extractive industries, except in oil, as a contractor of the government or state enterprise based on a contract of work.

The concept of production sharing contract offers the Indonesian partner the opportunity to be active in the management, control of operation and marketing whereas in the concept of contract of work, the foreign partner performs the work according to the terms of the contract, and is renumerated by a share of the profit.

Indonesia recognized that trade constitutes a vital element as an important source for development. Accordingly it gives full support to and participates actively in commodity agreements/arrangements with the purpose of stabilizing prices acceptable to both producers and consumers.

In cases where commodity agreements/arrangements are not feasible, Indonesia advocates the establishment of producers associations to improve its competitive position in world markets through co-ordinated marketing arrangements, like the Association of Natural Rubber Producing Countries (ANRPC), Asian Coconut Community (ACC), and the Asian Pepper Community (APC).
Closely related to the problems of trade is the problem of the reform in the international monetary system, in which the developing countries have a vital stake. The persistent uncertainties in the system has already adversely affected the economies of the developing countries.

Indonesia has been entrusted by the international community to chair the Committee of 20 of the IMF. This is an honour as well as a great responsibility since Indonesia has to safeguard not only its own interest but also that of the developing world, in the search for proper solutions in the reform of the international monetary system.

Indonesia is now in the midst of the final year of her First Five Year Development Plan, and will soon embark on her Second Five Year Development Plan whose broad outline is:

- to increase the standard of living of the people, and
- to lay down a stronger foundation for the subsequent stage of development.

More emphasis on ensuring equitable distribution of income and attaining a rapid growth of employment will be given in the Second Five Year Development Plan.

Likewise agriculture will continue to maintain the foundation for further economic development in subsequent stages. In other words, agriculture will continue to have the priority so as to maintain sufficient stability, recovery and growth to provide a solid base for a movement towards industrialization. At the same time, the agriculture sector will remain the major source of employment opportunities as the majority of the population still depend on their living in this sector.

Major attention is to be directed towards the development of manufacturing industries processing raw materials into intermediate goods. The purpose of this is to contribute to the industrialization process as well as to shift the export composition in favour of domesticity processed raw materials. In enhancing the realization of industrialization, primary reliance is to be placed as far as possible on private initiative and enterprise.

The promotion of efforts in accelerating the growth in the production and export of oil and other mineral products; including timber in the agricultural sector is to be maintained. This will contribute significantly to the growth of domestic production and to easing the foreign exchange constraints for development without endangering the distribution of income and employment opportunities.
Rehabilitation programmes for infrastructures will continue to have priority as in the past. Social development progress including health, family planning and education will come to focus with the sole aim to increase the prosperity in the community and rural sector. In this connection, rural work programmes introduced earlier and having contributed significantly to the growth of employment opportunities, will be continued and expanded.

In attaining the national development objectives, natural resources shall be optimally exploited but without endangering the environmental condition and the interest of future generations.

III. Economic Issues and the Required International Actions

The overall view on the performance over the first two years of the International Development Strategy reflects a gloomy picture of the economic future of the developing countries. All the key targets of the Strategy, crucial to the goals and objectives of the Strategy, have not been realized. The evidence presented in the evaluation of the Committee on Review and Appraisal has led to the conclusion that "the International Development Strategy remains much more a wish than a policy". This conclusion has made us well aware of the scope and fundamental nature of the problems confronting the developing nations. In emphasizing in particular the common interests of the developing countries as a whole, three salient issues can be singled out, namely, food crises, monetary crises, aid crises.

The most fundamental problems the developing countries have to cope with regard to the above mentioned issues are, to increase and expand production towards higher income and to create employment opportunities in the face of population pressures and the process of coming to grips with balance of payment difficulties.

Based on available statistics and reports the following are noted:

Trade

- Several primary commodities of interest to a large number of developing countries still suffer from lack of access to external markets and from inadequate acceptable non-discriminatory pricing policies by developed countries.
- Non-tariff barriers instead of being liberalized are being continued.
- Slow implementation of the Generalized System of Preferences.
Monetary and Financial Matters

- With a few notable exceptions the performance of developed countries in providing development assistance remains predominantly bad, merely 5 developed countries have been able to meet the 1 per cent GNP target of the Strategy in 1971, whereas only one developed country has achieved the target of 0.70 per cent GNP with regard to official assistance.

- The relative big share of commercial loans at higher cost in the total financial flow has further aggravated debt servicing problems of the developing countries.

- The International Monetary Crisis has had a harmful effect on the economic situation of the developing countries, due to the constant shift in the balance of trade of some developed countries and inflationary policies which have pushed up the rate of interest on loans to the developing countries.

Agriculture

Basically the agricultural sector is still predominant in most developing countries. Agricultural production in the first two years of the Second Development Decade has felt the effect of widespread unfavourable weather conditions, which resulted in an acute food crisis towards latter months of 1973. The crisis among others has been due to long period of severe dry weather and drought. This in turn has drained heavily the developing countries' foreign exchange reserves and thereby upsetting their balance of payments.

Industry

Industrial growth in developing countries expanded at a rate not far short of the target of 8 per cent, but in most developing countries the industrial base still small for self-sustained expansion. The linkage between industry and other sectors of the economy remains far from adequately developed.

Energy

The shortage of natural fuel in the world has brought in impetus to the growing need of exploring new fields of energy. Moreover this has led the price of fuel to an upward jolt at the expenses of the consumers, and unless an acceptable solution is found, an undesirable situation will arise.
IV. **Recommendations**

In the light of abovementioned indicators, the Indonesian Delegation envisages the following measures to be taken:

1. That the non-aligned and other developing countries continue to press their demands for changes in the international economic system.

2. That the conference urges the International Community to maintain its unqualified support for the fullest implementation of the Strategy in accordance with the goals and measures embodied therein.

3. To that end, that the conference continue to seek practical initiatives with regard to various issues left unresolved in the relevant UNCTAD III resolutions, which make possible in the fields of:

**Trade**

(a) The expansion of commodity arrangements/agreements to stabilize the export prices of commodities of developing countries at fair and remunerative levels.

(b) The countering of the deterioration of trade terms as well as terms of trade of developing countries vis-a-vis those of the developed countries.

(c) The expansion of trade and the freer access of export commodities, processed, semi-manufactured and manufactured goods of developing countries to international markets through the reduction or removal of tariff and non-tariff barriers including other discriminatory measures by developed countries.

(d) The creation of new rules of the game governing international trade through the forthcoming multilateral trade negotiations, reconciling liberalization of trade with protectionism in some of the advanced countries, which should lead at least to the solution of unresolved issues, identified by UNCTAD III.

(e) The widening of active participation by developing countries in shipping, particularly in setting freight rates by taking the concept of the code of conduct for liner conference of the Group of 77 as a basis for negotiations with advanced countries.
Monetary and Financial Matters

(a) The substantial increase in development assistance from developed countries and international financial institutions and the effective implementation of softening the terms on which they are rendered including complete removal of tied aid, so as to reach the targets of the Strategy.

(b) The formulation and implementation of effective arrangements in order to resolve in a co-ordinated manner the problems in the monetary, trade and finance spheres, with the full participation of developing countries.

(c) The recognition of the need for a monetary system and the appropriate flexibility in this system, in favour of developing countries due to their specific structural economic problems.

(d) The recognition of the pressing liquidity needs of the developing countries and subsequently to authorize the IMF to allocate Special Drawing Rights as planned for the second period.

(e) The acceptance of the principle of establishing a link between the allocation of Special Drawing Rights and additional development finance. The best form of this link would be by an increase in the share of the developing countries of SDR by means of direct country allocation.

Agriculture

The programmes of developing countries for increasing agricultural production to be supplemented with measures by the International Community which would simultaneously increase their income and create employment opportunities.

To protect the developing countries from experiencing shortages of food and its wide ramifications, it is desirable to explore the possibility of setting up a regional or sub-regional food stockpile in co-operation with and jointly financed by international organizations.

Industry

(a) The effective transfer of science and technology provided it is:
   - obtained at a reasonable cost
   - appropriate with the needs and levels of the developing countries in their application for such transfer
   - labour intensive
   - stimulating to the development of domestic technological capabilities.
(b) The identification of common interest which enables governments from developing countries to formulate and to take policy measures suited to their respective conditions in which private foreign investment subserves national development objectives.

Energy

Conscious of the adverse effects that can emerge from eventual confrontation between the oil producing countries and the oil consuming countries, it would be of value if the two groups could enter into an arrangement in which the oil producing countries are guaranteed their right of sovereignty over their oil resources, their rights of control and supervision in the exploiting and marketing of the oil whilst the consuming countries are guaranteed of the constant supply of oil at reasonable price level.

Regional co-operation

The intensification of current efforts and the initiation of new ones in strengthening regional economic co-operation among developing countries along the lines of the relevant recommendations of the Action Programme of the Group of 77.
International Co-operation for the Economic Development of the Developing Countries

In accordance with paragraph 39 (IV) of the Action Programme for Economic Co-operation among Non-Aligned Countries, this paper will tend to confine itself with the subject of international co-operation for economic development of the developing countries.

Non-Aligned Countries are an integral part of the group of the developing countries, known as the Group of 77. This Group services as an instrument for achieving a more rational and equitable pattern of International economic relations, and for increasing the self-reliance of developing countries in organizing their own economic and social progress. The Non-Aligned Countries believe that the developing countries, who constitute two thirds of the world, have a common cause of raising the living standards of their respective societies and of narrowing the ever increasing gap between the poor nations and the rich nations. They are convinced that proper international economic co-operation is a prerequisite for maintaining international peace and security, and for preserving world order on the basis of justice, as enshrined in the Charter of the United Nations.

Non-Aligned Countries are alarmed by the fact that, in spite of the prodigious advances in world economies in such a short span of time, international co-operation in the interest of developing countries is still lagging far behind set goals and targets in fields of trade, aid and technological co-operation. The relative position of the developing countries in world economies, is deteriorating continuously. During the 1960s, the per capita income in developed countries increased by $ 650, while in developing countries the increase was about $ 40 only. The developing countries' share
of world trade in exports declined from 21.3 per cent in 1960 to 17.5 per cent in 1970. The financial flows from developed to developing countries decreased from 0.97 per cent in 1957 to 0.74 per cent of the GNP of the developed countries, while the net flow of official aid decreased from about 0.50 per cent of the GNP of DAC countries in 1971 to 0.33 per cent in 1970 (almost half the set target of 0.7 per cent). At the same time, the external debt burden of developing countries is growing steadily, reaching a total of $66 billion in 1971.

This grave situation is mainly due to the lack of political will on the part of developed countries, to give adequate consideration to the problems facing developing countries. Consequently, developed countries, normally tend to resort to impose restrictive measures on trade and aid facilities, as the first means to deal with their balance of payments difficulties. They initiate strong efforts, to focus world attention to problems of prime concern to advanced world, without due regard to the problems of developing countries. They intensify co-operation among themselves, to solve their own problems, which normally stem from the prosperous stage of development they reached, while problems of developing countries, emanating from backwardness, are given low priorities by developed countries.

It is true that development of developing countries, is the primary responsibility of these countries, as stressed in the Charter of Algiers, but it is recognized that their efforts will not be sufficient to enable them to achieve desired and legitimate goals as expeditiously as possible, unless they are assisted by increased financial resources and more favourable economic and commercial policies on the part of developed countries as stated in the International Development Strategy.

International co-operation for the benefit of developing countries is realized through co-operation between developed and developing countries as well as among developing countries themselves.

Co-operation between developed and developing countries has been delineated recently, in the International Development Strategy, and in the resolutions of UNCTAD III held in Santiago.
The outcome of both the two endeavours, fell short of the aspirations of developing countries, as expressed in the Lima and Georgetown Declarations. Yet, the inherent dynamic nature of the strategy offers a wide spectrum of potentialities for improvement.

Developing countries are urging the international community to use international machinery to bring about a rapid transformation of the world economic order, particularly in fields of trade, finance, invisibles and technical know-how, through the achievement of a more rational international division of labour carried out through necessary structural readjustments in the economies of developed countries. This will enable developing countries to diversify their economies, to increase the access of their products to the markets of developed countries, and thus accelerate the rate of growth of the developing countries. For this purpose, developed countries should adopt and implement specific programmes of adjustment, including anticipatory adjustment, in their production structures.

Furthermore, developing countries urge the developed countries to adhere to certain basic principles in the field of international trade and development, such as observing strictly the standstill in regard to tariff and non-tariff matters, granting trade concessions to all developing countries on non-reciprocal basis, and extending to developing countries preferential treatment in all trade and development matters.

The international community is requested to recognize that every state has the sovereign right to dispose freely of its natural resources for the benefit of the well-being of its own people. Developing countries should be spared all impediments to their legitimate rights to exercise fully and effectively their sovereignty over their natural resources. External political or economic pressures, in this connexion, should be denied.

Developing countries are seeking the full and effective participation in all prior consultations and decision making in matters of vital importance to them, such as the world trade and monetary system.

They are asking for the promotion of a massive transfer of operative technology to them, on favourable terms and conditions, in order to accelerate the process of their industrialization.
In the field of invisible operations, including shipping and insurance, developing countries are calling for an increase and substantial share, in all these activities.

The international scene is currently witnessing important events in the field of international co-operation, with far reaching repercussions on developing countries. High amongst these events are:

(a) The Multilateral Trade Negotiations, as laid down in UNCTAD III resolution 82 (III), which are conducted in the framework of the General Agreements on Tariffs and Trade, with close co-operation from UNCTAD.

Developing countries, in their endeavour to take stock of past experience acquired from meagre results achieved from Kennedy Round, are desirous to participate fully and effectively in these negotiations, with the aim of reaching the goals and objectives outlined in the UNCTAD resolution. The negotiations should aim at securing additional benefits for the developing countries, so as to achieve a substantial increase in their foreign exchange earnings, without adverse effects on already existing advantages enjoyed by some developing countries.

In this connexion, developing countries, should take advantage of the arrangements stated in UNCTAD resolution 82 (III) and United Nations General Assembly resolution 3040 (XXVII) to assist developing countries in preparing for the negotiations and in the participation therein, with the aim of reaching concrete results for the benefit of developing countries. To this end, the role of the Secretary-General of UNCTAD, as well as that of the regional economic commissions, are vital, and should be utilized to the utmost by the developing countries.

These Trade negotiations are conducted at a propitious time for the adoption of a new set of binding rules, designed to take account of the specific problems of developing countries. Non-reciprocal preferential treatment for exports of developing countries, and non-discrimination amongst them, are recognized principles to be followed.
On the other hand, the increase in export earnings of developing countries, is expected to feed back to international markets, since the imports of developing countries, normally tend to consist of capital goods, which in turn represent an employment creating demand in the economies of developed countries.

(b) International Monetary Reform

The Committee of Twenty, established within the International Monetary Fund, has been charged with the task of keeping under constant scrutiny, the reform of the International Monetary System. The international community after long debate, has been convinced that it is the joint responsibility of each and every one of the members of the world financial community to deal effectively with the most severe crisis in the International Monetary System the world has suffered. The developing countries are participating actively in this committee in order to safeguard their interests.

In this regard, it should be noted that recent international monetary crisis, has been dealt with, outside the framework of the Committee of Twenty. But since the monetary crisis produces its detrimental effect on the developing countries as well, it would therefore be appropriate and necessary to fully engage the Committee of Twenty in the search for a proper solution to the crisis.

The developing countries on their part, established a Committee of Twenty Four, on international monetary issues. The Committee is of the view, that one of the major tasks of the reform, is to seek to transfer real resources from the developed countries to the less-developed countries. It also hoped that mechanism would be found to fully examine the interrelationship between monetary, trade and financial spheres with a view to furthering the interests of the developing countries in these fields. Among these measures, the establishment of a proper link between the Special Drawing Rights and the provision of resources for development, is highly recommended.

(c) The Committee for the Review and Appraisal of the International Development Strategy.
The first biennial appraisal of the International Development Strategy, as stated in paragraph 83 of resolution 2626 (XXV) of the Strategy, is due in 1973. It is incumbent upon the international community to consider the process of the implementation of the Strategy, with a view to seek solutions for shortcomings therein, and evolve new concepts for international co-operation.

(d) The Charter of the Economic Rights and Duties of States.

The International Community is currently engaged in preparing a draft of this Charter.

The Working Group established by UNCTAD resolution 45 (III) comprises states from developed and developing countries. The main object of this undertaking is to state in clear terms, the commitments of all concerned in the international community, towards economic and social development in developing countries. Such endeavour would undoubtedly help developing countries in formulating their economic plans, on more solid grounds and with better knowledge of the dimension and magnitude of international co-operation, in their interest.

During all these activities, and others, the developing countries are duty bound to co-ordinate and unify their positions in order to defend their interests with the utmost effect. A fragmented and incoherent presentation of their views would only lead to weaken the cause of the developing countries in the deliberations, and would produce detrimental consequences to their economies.

In this regard, it should be recalled that the non-aligned countries in Lusaka and Georgetown, reaffirmed certain principles to guide the conduct of their relations among themselves. High among these, are the principles of self-reliance, and the acceleration of co-operation among them, the Georgetown Conference in this connexion, agreed upon an action programme for economic co-operation among the participants.

Likewise, the Group of 77 in Lima and in other preceding conferences, adopted economic declarations for the benefit of developing countries.
The harmonization of these efforts in a manner to eliminate possible resources of friction between the various components of the group of 77, and to consolidate the unity of the group, as the large group which combines all countries of the third world, is highly desirable. To achieve this goal, full adherence to implement declarations and decisions taken in different forums must be brought forward.

In this regard, it might be advisable to establish a small unit for the group of 77, for the purpose of seeking ways and means to further the collective efforts of the developing countries, on continuous and positive basis. The unit should not duplicate or overlap work exerted in other international bodies, particularly UNCTAD. It can engage in collecting and disseminating relevant material of interest to developing countries, and serve as a co-ordinating unit for their activities in this field. This unit should start on modest and experimental bases.

If this idea is agreed upon, in principle, a small working group, could be established to define the terms of reference of this unit, as well as its administrative side.
DOCUMENT PREPARED BY ALGERIA AND YUGOSLAVIA

 STEPS TO BE TAKEN WITH A VIEW TO IMPLEMENTING THE PROGRAMME FOR ECONOMIC CO-OPERATION AMONG NON-ALIGNED COUNTRIES IN THE FIELD OF SCIENCE AND TECHNOLOGY

FOURTH CONFERENCE, ALGIERS
1. When the Action Programme for economic co-operation among non-aligned countries was adopted in August 1972 at Georgetown, the participating countries concluded that it was particularly important to take appropriate steps to ensure implementation of the Conference decisions. The Ministers took the view that results could be effectively achieved in this field provided some countries were given the task of making an adequate study of the action to be taken to implement the Programme in all the four fields covered.

Yugoslavia and Algeria were chosen as co-ordinating countries in the field of science and technology.

2. In working out the programme and establishing the methods that would need to be applied for implementing the recommendations adopted on the subject of co-operation among non-aligned countries in the field of science and technology, Algeria and Yugoslavia took the following facts into consideration:

(a) The world today is characterized by a technological revolution and the ever-increasing importance of research, science and applied technology in all fields of human endeavour. In fact, the more clearly marked the role of science as a growth and advancement factor becomes, the quicker becomes the rate of development.

However, although a characteristic feature of the modern world is the technological revolution, the developing countries are characterized by their increasing technological dependency on the developed countries. Industry especially is becoming a private preserve of first-rate importance which some countries would like to keep for themselves as a means of achieving economic supremacy which, with its effects on development in the developing countries, is designed to take over from colonial domination.

The industrialized countries limit the transfer of their technology by means of restrictive clauses and practices which hamper the training of national staff. According to the UNCTAD secretariat, the developing countries spend $1,500 million a year on patents, licences and the technology needed to make use of them.
The developing countries are deeply concerned by the ever-widening gap between them and developed countries in science and technology and by the countries' reluctance to honour their commitments.

(b) In order to emerge from this state of dependence, expedite their development and control their own process of production, the developing countries should primarily rely on themselves and co-operate with each other, while supporting the initiatives of multilateral institutions as regards the transfer of technology, for such transfers from developed countries and the United Nations specialized or multilateral agencies will continue for a long time to come.

The developing countries are striving in every way to speed up their economic development and, to that end, have set about creating the necessary structures, constructing and promoting their education system, installing scientific and technological institutes, developing information media, making trial applications of the newly-acquired scientific and technical know-how in specific economic activities, and so on.

(c) The United Nations, its specialized agencies, and other international or regional bodies and some national ones, are paying even closer attention to the questions of transfer of science and technology to the developing countries, and especially among them. Projects have been worked out, research and studies conducted, and meetings and symposia organized. Despite these activities, however, the results have been scanty and far from meeting the needs of developing countries. In addition, the efforts remain incomplete, and unco-ordinated - in a word - inadequate; and it frequently happens that experts assigned to developing countries are incapable of applying their knowledge to the best advantage in finding satisfactory solutions to the problems they have been engaged to solve.

(d) It is for the non-aligned and developing countries to assess their needs and possibilities, keep a record of the results obtained by the international community and encourage the latter further (without interference in the work of international institutions or subordinating it to a non-aligned institutional body); co-ordinate the projects and activities of developing countries by means of pilot programmes; and promote appropriate exchanges, and the application of potentially useful scientific and technical achievements.
3. In view of the foregoing, Yugoslavia and Algeria consider that their task, as co-ordinators for the non-aligned countries in the field of science and technology, is to define the situation, needs and capabilities of the non-aligned countries on the basis of the recommendations made on the Action Programme, leaving it to the non-aligned countries to keep a record of, and encourage, the work so far done by the international community, and to co-ordinate and promote, through pilot programmes, projects and multilateral activities, appropriate exchanges and the application of scientific and technical achievements.

The results obtained should be reviewed at the next Summit Meeting with a view to developing the present Action Programme and defining the new tasks involved in implementing it.

4. With regard to the implementation of the Georgetown Action Programme, the co-ordinating countries consider it their duty to propose concrete measures with a view to achieving interim results in the matter in advance of the Summit Conference of Non-Aligned Countries scheduled to meet in Algiers in September.

5. The Programme of action for implementing the recommendations adopted in the field of science and technology proceeds from the need to elaborate in detail on each recommendation and define specific measures for implementation, as well as a timetable and the priority to be given to particular activities.

The various recommendations adopted and the proposed measures to be taken for their implementation are set forth below:

**NON-ALIGNED COUNTRIES SHOULD:**

I. "The non-aligned countries should make available, wherever possible, scholarships to students from other non-aligned countries in their institutions of higher learning in the technical and professional fields. It may be necessary for non-aligned countries to conclude students' exchange agreements among their universities and colleges."

This calls for:-

- Determination of each country's requirements in terms of the number of specialized staff, with a view to their training; specification of the present
training arrangements for local and foreign staff, schedule of requirements and possibilities, present and potential sources of finance, etc., this review of the situation to be followed by the preparation of an over-all multilateral programme according to branches, regions and areas of interests. It should also be possible to prepare a draft agreement on arrangements and conditions for trainee exchange between the non-aligned countries.

A recommendation would have to be made to education authorities to exchange available information in the initial stages, followed by regular dissemination of information on training possibilities and conditions in the main fields.

Those countries which have adequate financial resources or already possess educational facilities of a good standard should furnish information on what they have to offer to students from other non-aligned countries.

In many countries educational facilities are at times available but few students to make use of them.

A study should be made of the possibility of short specialized courses being offered by some countries, especially in technical and vocational fields:

- Ways of improving training should be found.
- Steps should be taken to develop reception facilities, especially with regard to tuition in the language of the host-country.

II. "Non-aligned countries should place greater emphasis on the operational aspects of training of planning experts, especially in project identification and evaluation, and co-operation with each other at the sub-regional, regional and inter-regional levels as well as generally in the provision of such operational training."

This calls for:

Elaboration, on the basis of existing information or that provided, of a brief survey of experiences so far gained in the training of planning experts, and distribution of that document to all non-aligned countries; assessment of the possibilities for specialized training of technical staff from other countries, and organization of specialized courses in countries with a richer experience.
Allocation to the training of planning experts has an important place in the economy of non-aligned countries, with emphasis on possible complementarities and provision for operational programmes involving the elaboration of criteria for evaluating projects adapted to the economies and social structures of developing countries. Recommendation in favour of the establishment of sub-regional or regional planning institutes.

III. "Non-aligned countries should encourage the sharing of techniques and the cross-fertilization of ideas among their experts in specific fields."

This calls for:
- Definition of specific spheres in this field, and organization of symposia and the like so as to enable technologists from non-aligned countries to exchange their experiences. The symposia would be attended by the countries concerned.
- Determination of the needs of each country, and its facilities for exchanging or receiving technologists.
- Creation of a pool of experts on questions of multilateral interest from non-aligned countries.
- Organization of meetings between industrial executives, and wide publicity for these meetings.
- Arrangement of visits of experts from other countries to industrial plants.
- Possible creation of national or regional committees to review technological requirements and priorities in scientific and technological co-operation.
- Creation of national associations of scientists and engineers and promotion of exchanges, meetings, symposia and relations of all kinds between these associations.
- Investigation of possible exchanges of practical experience in teaching research, construction work, etc.
IV. "Non-aligned countries should encourage, wherever possible, the exchange of information and documentation in the field of research and scientific work in industry, in the development of consultancy services and allied fields of productivity, management, industrial design planning and market research, especially the identification of products which could be traded among the non-aligned countries."

This calls for:

- Identification, in non-aligned countries, of institutions possessing the necessary information and documentation, and their direction towards mutual collaboration (these may be official bodies, scientific institutes at university level, economic organizations and so on). This activity should lead, at the next stage, to the establishment in non-aligned countries of information and advisory centres backed by existing centres. A blueprint could be prepared forthwith for the organization, operation and financing of these centres.

- Organization, as a possibility, of meetings of experts to examine the problems involved in the mutual exchange of scientific and technical documentation and information.

- Twinning of national and university libraries.

- Exchange of regional and inter-regional publications.

- Promotion of translation of scientific and technical works published in non-aligned countries.

- Identification of research institutes which could serve as centres for the collection and dissemination of information.

- Establishment, if possible, of documentation on information centres. These could be modelled on UNISIST and would have similar functions in the non-aligned countries.

V. "Non-aligned countries should encourage the exchange of information of new achievements in the field of technology and patterns on a preferential or reciprocal basis."

This calls for:

- Identification of specific fields of technological production and
activities of universal interest at first by groups of countries or individual countries and then in respect of types of information, scientific or technical documentation, scientific papers, publications, patents, licences etc., and the communication media or bodies which would be responsible for those activities.

Relevant, in this connexion, is the transmission and utilization of patents and licences. It would be useful therefore to work out a preliminary code of standards for this purpose among non-aligned countries on a preferential and reciprocal basis.

To implement that recommendation, a list should be drawn up on the lines of that referred to under point VI.

- Appointment of working parties to establish the procedures for such co-operation.

- Dissemination of the results achieved by non-aligned countries in the transfer of technology and assessment of the impact of such transfers so that all countries may benefit.

VI. "The non-aligned countries should promote co-operation in the education and training of personnel specialized in industrial engineering, technology and production, planning and control in the use of engineering, and architectural, financial and economic consultancy services."

This calls for:

- Identification of the urgent needs of non-aligned countries in respect of practical training of various kinds, the facilities in various non-aligned countries for receiving staff requiring training, coupled with the list and programmes of industrial and other undertakings concerned, and of the institutions able and willing to provide such training. Establishment, once the requirements and possibilities have been noted, of a general programme for sending and receiving staff for vocational training, with details of the conditions and sources of financing for such operations.

- Organization of meetings between national authorities responsible for industry in order to study the possibility of setting up consultancy services among developing countries.
Briefing of other non-aligned countries on training facilities available in each country in these fields.

VII. "The non-aligned countries should establish schemes for co-operation in organizing a detailed and long-range analysis of the problems involved in the sphere of financing, profit-sharing, the implementation of joint investment, cost, and project location."

This recommendation should be developed in detail, stressing all the advantages of projects of this nature. It would also be useful to set up a small group of experts from non-aligned countries who have experience of this kind of activity and organize a meeting of such experts, distribute the subjects and make a joint analysis (in the form of a research project) of the economic aspects, raw materials, financing, production, marketing legislation, etc. of joint investment by the non-aligned countries. The end-result of this analysis could be a draft standard contract for joint investment and financing by non-aligned countries, adapted to national legislation.

VIII. "The Non-Aligned Countries should establish joint institutes for scientific research at major industrial enterprises among them, for the purposes of research and the training of cadres geared to the special problem of developing countries."

This calls for:

- An investigation as to whether such institutes exist in the non-aligned countries, or at any rate whether joint research programmes have been worked out between the various industries, and identification of countries interested in setting up such institutes, the subjects to be covered and the industrial firms which would participate, all this to be accompanied by a background report covering production, staffing arrangements and the material resources of the would-be participants, i.e. the industrial firms. Participation should be confined to national industries, with subsidiaries of multinational companies being excluded.

- Consideration of the feasibility of setting up technological statistics institutes.
IX. "The Non-Aligned Countries should co-operate in developing new uses for those primary products threatened by competition from synthetic substitutes."

This problem and its international implications are well known. Lists should be made of specific primary products and of the countries producing them, with particulars of what has already been done in the case of individual raw materials, and of the various countries' interests and possibilities. Lastly, research projects or teams from the producer-countries, should be set up.

Special emphasis should be laid on the need for non-aligned countries to develop their co-operation in research projects in fields which have relevance to developing countries but which the industrialized countries have no interest in studying, such as:

- new uses of primary products faced with competition by synthetic materials,
- direct production of steel,
- solar energy,
- desalinization of sea-waters,
- exploitation of semi-desert lands.

X. "The non-aligned countries should devise programmes to adapt technology to the production structures, economic and social conditions (including the unemployment situation) and the natural resource endowments of the non-aligned countries."

Some of the latest technological solutions are out of keeping with the economic and social conditions of developing countries, others could be adapted thereto, while still others call for entirely novel solutions. Some countries have already adapted various applied technologies and have acquired an experience which may be helpful to other countries. Furthermore, several countries concerned could set up joint teams of research workers who could investigate how to adapt production or technology programmes to the needs and characteristics of economic and social development of their country. It is essential, therefore, for non-aligned countries to compile material on current
experience and points of interest and communicate it to each other, and at the same time draw up joint research programmes.

6. To implement these forms of co-operation, the following methods will have to be applied:

(a) In implementing these measures, full advantage must be taken of the work and experience of international agencies and United Nations bodies concerned with questions relating to science and technology;

(b) Proposals should be made as regards the material forms and specific extent of co-operation, the parties concerned and the communication and implementation system;

(c) A system for financing co-operation should be devised;

(d) Multilateral co-operation programmes should be formulated to cover specific fields and activities;

(e) Specific individual co-operation activities should be arranged and organized;

(f) International legal documents should be drawn up for various forms of co-operation;

(g) An analysis should be made of the work of the United Nations institutions and bodies responsible for the promotion of mutual co-operation between developing countries in the fields of science and technology, and measures should be proposed with a view to promoting their work and the activities of the developing countries within these international institutions and organizations;

(h) It is obvious that, while technology is a necessity, it must be integrated into a socio-economic framework different from that of the exporting country.

In this respect proposals could be made for the establishment of institutes or regional study centres or, more simply, that the subject should be examined at meetings of management staff or experts.
Plans could also be made for specific case studies and the dissemination of the results.

(i) It should be emphasized that the developing countries must give an increasingly important place in their development policies to science and technology, and that they should, to this end, redouble their efforts to train the largest possible number of people in the use of scientific techniques, to develop scientific and technical teaching in primary and secondary schools, and to associate scientists and technicians with the work undertaken in primary and secondary schools and with the whole process of decision-making in the elaboration of development policy.

(j) The developing countries, with only a small number of exceptions, do not have a sufficient number of experts to be able to send them away for long periods. Therefore, very brief missions should be arranged and consultancy should not become a profession as in the case of international organizations.

(k) Discussions and meetings should be organized among industrial managers.

(l) Exchanges should be limited to national industries and should exclude subsidiaries of multinational companies, particularly with regard to the placing of engineers, technicians or students.