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To: Members of the Executive Board

From: The Secretary

Subject: Report on the Forty-Second Session of the United Nations  
General Assembly

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Attached for the information of the Executive Directors is a report on the forty-second session of the United Nations General Assembly held in New York from September 15 through December 21, 1987.

Mr. R. J. Bhatia (ext. 6959) is available to answer any queries.

Att: (1)

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Department Heads

INTERNATIONAL MONETARY FUND

External Relations Department

Report on the Forty-Second Session of the  
United Nations General Assembly

Prepared by the Director of the Fund Office in the United Nations  
and Special Representative to the United Nations 1/

Approved by A. F. Mohammed

February 18, 1988

The UN General Assembly held its Forty-Second session at UN Headquarters in New York from September 15 to December 21, 1987. The Deputy Foreign Minister of the German Democratic Republic, Mr. Peter Florin, was elected President of the Assembly. The discussions and debates encompassed global political, social, and economic issues, with a major emphasis at this session on environment, and increasing attention to financial, notably external debt, problems of developing countries, especially in Africa. Several resolutions were passed by the General Assembly; those relating to economic and financial matters and of interest to the International Monetary Fund are summarized below.

I. General Debate

The tone of the general debate on economic issues was set by the President of the Assembly when he asserted that the social and economic development of people, the restructuring of international economic relations, and the external debt were the main global problems facing the United Nations. On the debt problem, he stated that "efforts for finding a global and just solution were a matter of high priority" and should be "duly responsive to the interests of the developing countries as well as to the requirements for a stable development of the world economy." U.S. President Reagan asserted in his address to the General Assembly that the free market is the "one true path to development." He cited India and China as cases where freer markets for farmers have led to an explosion of production. He stated that "development is not itself a right. It is the product of rights: the right to own property; the right to buy and sell freely; the right to contract; the right to be free of excessive taxation and regulation, of burdensome

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1/ Mr. Jan-Maarten Zegers was the Special Representative until November 2, 1987 when he was succeeded by Mr. Rattan J. Bhatia.

government." Japan's Prime Minister Nakasone stressed that joint action was needed in three priority areas: world peace; the free flow of people, cultures, and freedom across national borders, and the correction of regional disparities; and protection of the global environment. He drew the General Assembly's attention to Japan's efforts to increase development assistance and to internationalize its own economy. Mr. Ellemann Jensen of Denmark, speaking on behalf of the European Community and its member states, expressed some optimism on the present financial and economic situation, citing, inter alia, the recognition of joint responsibility for the functioning of the world economy and the adoption, by consensus, of the Final Act of the Seventh UNCTAD. He supported a capital increase for the World Bank, and "welcomed the proposal of the Managing Director of the International Monetary Fund (IMF) for a significant increase in the resources of the IMF's Structural Adjustment Facility."

Developing countries, in their statements, emphasized economic and financial issues as well. President Lusinchi of Venezuela, referring to the dangers of protectionism in the industrial world and of the debt burden, stated that:

We know fully well that the primary obligation in meeting the challenges of development rests on our shoulders. But this in no way diminishes the responsibility which the industrialized world shares and the contribution which it should make in the struggle against protectionism and in the acceptable management of the debt problem in such a way as not to curtail our prospects of socioeconomic progress and political stability...No viable solution has been found to the external debt problem...it has been dealt with simply as a financial question.

The Indian representative (Mr. Natgwar Singh) stated that:

the world economy continues to be in a state of deep disarray...(and) faces a structural crisis ...There is therefore an urgent need for evolving cooperative strategies...(requiring) concerted and comprehensive policy measures in the interrelated areas of money, finance, debt, trade, resource flows and development.

African representatives noted that their adjustment efforts were beginning to be supported by international assistance and cooperation, but felt that the overall response had fallen short of requirements. President Kaunda of Zambia, while commending the replenishment of resources of the IDA and the proposal by the IMF to triple the resources available for the SAF, stated:

However, appreciable as these efforts are, they only represent a partial approach to the problem in hand and do by far fall short of the requirements of Africa. What is

required is a package that includes solutions to the debt and commodity problems, and a substantial increase in official development assistance. Such a package should include the conversion of all ODA debts into grants, a substantial reduction and cutting of interest rates on commercial debt and the consolidation of those debts and the debt service payments due thereon into long-term loans repayable over 30 to 40 years on concessional loans, allowing for a 10 year period of grace.

## II. Environment

Environmental issues were unusually prominent during the Forty-Second session, spurred by the publication of the report on "Our Common Future" prepared by the World Commission on Environment and Development, headed by Prime Minister Brundtland of Norway. One full day was set aside for debate in the Plenary and eventually eight environment-related resolutions (six on environment proper and two on decertification and drought) were passed. Although these resolutions were adopted by consensus, developing countries expressed concern about a perceived "increasing tendency to translate environmental issues into a new form of conditionality" in the context of external resource flows, including notably World Bank lending. At developing countries' insistence, one of the resolutions on multilateral development assistance included the proviso that it is "the national development plans, priorities and objectives set by the recipient governments themselves which should determine the criteria to be adopted."

## III. Economic Issues

Economic and financial issues were debated mainly in the Second Committee and draft resolutions adopted in that Committee were passed by the General Assembly.

### 1. External debt

As reported to the Executive Directors (SM/86/307), the 1986 session of the General Assembly, for the first time, reached an agreement on an extensive resolution on the debt issue. This issue continued to be a major topic of discussion in the General Assembly's Second Committee where it was discussed in five sessions and about 65 speakers joined the debate. The Committee had before it a report on "The international debt situation in mid-1987," wherein the Secretary-General noted that recent developments in the international economy might have dimmed the prospects for an early solution of the problems caused by the debt situation. Notwithstanding some indications of more pragmatic and realistic approaches that could lead to mutually acceptable solutions, the Secretary-General noted that the debt burden of some countries was unsustainable. The report maintains that, while situations differ among countries, a lasting solution of the debt

problem, requires that debt-service burdens be reduced either by lowering interest payments and related costs or by reducing actual debt levels, or both.

The assessment within the General Assembly on the present debt strategy was widely divergent; at one end was the view that the present strategy was working while, at the other end was the perception that the debt situation was deteriorating. A consensus emerged that the situation called for a cooperative solution in which each party (debtors, creditors, and multinational institutions) had to take its share of responsibility. Speakers alluded to different causes and consequences of the debt problem as well as to a variety of possible solutions. The Managing Director of the IMF, in his address to the Second Committee, emphasized that countries with debt-servicing difficulties must not relax their efforts to mobilize greater savings domestically and should put resources to productive uses. He stated that the IMF would endeavor to promote effective coordination of economic policies among major industrial countries with the aim of ensuring that the world economy grew at a satisfactory pace, while developing a more sustainable pattern of payments balances among the major countries.

There were several positive references to the 1987 Annual Meetings of the Bank and the IMF, especially to the initiative to augment the SAF. While it was recognized that the IMF and the World Bank were the appropriate institutions to deal with the debt problem operationally, delegates felt that the United Nations, as a universal body, was a suitable forum for the discussion of the problem and had a role in advancing a cooperative solution. Accordingly, the General Assembly passed a resolution (Attachment) in which the Secretary-General was requested to prepare after consultation with "the relevant bodies and eminent personalities," a comprehensive report on the international debt situation to be submitted to the 1988 session of the General Assembly. The report would review ways and means of advancing the efforts toward finding a durable, equitable and mutually agreed solution to the debt problem of developing countries.

## 2. Program of action for the least developed countries

The General Assembly expressed deep concern at the continuing deterioration in the overall socio-economic situation of the "least developed countries." Recalling its 1985 resolution to carry out a global review and appraisal of the implementation of the Substantial New Program of Action for the 1980s for the Least Developed Countries, the Assembly decided to convene a Conference on these countries at a high level in 1990. The Conference will review progress at the country level, international support measures (particularly in respect of ODA), and formulate and adopt national and international policy measures for accelerating the development process in these countries during the 1990s in accordance with their long-term national, social, and economic objectives. For this purpose, a meeting of experts of donor countries

and financial institutions is expected to convene in the spring of 1989, to be followed by a preparatory meeting in early 1990. The UNCTAD will be the focal point for the preparation of the Conference, and various organs and organizations of the UN system will be asked to submit reports reviewing the implementation of the Program of Action.

3. United Nations Program of Action for African Economic Recovery and Development, 1986-90 (UNPAAERD)

It may be recalled that this program was adopted by consensus in June 1986 by the General Assembly at its Thirteenth Special Session. Under the program, the African countries reaffirmed their primary responsibility to pursue vigorously appropriate policy reforms for development, while the international community committed itself to provide sufficient resources, and to improve the external environment to support the African effort. The Secretary-General reported on the progress in the implementation of the UNPAAERD during its first year. The report noted that as many as 28 countries have embarked on policy reforms and structural adjustment measures, such as reducing the share of public expenditure, improving terms of trade of the rural sector, and adjusting exchange rates. The food and agriculture sector has been accorded the highest priority, and now receives the major share of total public investment outlay. The report further notes that these measures and reforms have so far yielded positive results in a number of countries, particularly in the mobilization and better utilization of resources and in improving agricultural production. However, they have also resulted in social stress and disruption, and there have emerged signs of resistance against further reforms. The report points out "lingering structural constraints" which have contributed to arresting growth in the region, highlighting the "collapse in commodity prices" leading to "one of the worst balance of payments crisis in the history of the region." In addition, Africa's serious debt problems have further worsened growth prospects. The report concludes, "the overall economic performance of the African region faltered badly in 1986, the first year for the recovery program."

As regards the action taken by the international community, the report recalls that gross external financial needs were estimated at around US\$24 billion a year during the UNPAAERD period. Compared to this estimate, total resource flow in 1986 reached US\$18 billion. As regards the IMF, the report recognizes that there was a net outflow of resources from Africa to the IMF in 1986, but acknowledges that "such a situation has arisen...in order to maintain the revolving character of these resources." Also, that "these repurchases have taken place within the context of adjustment programmes with the IMF and, as part of a gap-filling exercise, have resulted in an overall increase in resource flows to African countries concerned." The report expects that the new SAF initiative should increase the flow of external resources into Africa, and "deserves the full support of the international community."

The report underlines the need for the international community to act quickly to make available net additional financial resources and to increase their flexibility. To this effect, the Secretary-General expects to receive soon a report of the Advisory Group on Resource Flows to Africa, which he established last year under the chairmanship of Sir Douglas Wass. The Secretary-General intends to submit his recommendations regarding resource flows to governments and other agencies as soon as he receives the Group's assessment and advice. In the debate following the Secretary-General's presentation, the participants generally endorsed the conclusions of the Secretary-General's report in a resolution on the critical economic situation in Africa.

The General Assembly commended the African countries for implementing wide-ranging economic adjustment policies "often at high social and political costs" and noted with appreciation the initiatives of the donor community and the support of international organizations for the continent's adjustment efforts. In a resolution on the African situation, the General Assembly, however, expressed regret that, in real terms, overall net resource flows to Africa have declined and that the international economic environment, in particular the terms of trade, has turned unfavorable, and called upon the international community to provide necessary resources to help implement the Program. The General Assembly will undertake a mid-term review of the UNPAAERD in 1988. For this purpose, the Assembly decided to establish an Ad Hoc Committee of the Whole to prepare the mid-term review and appraisal of the UNPAAERD prior to its forty-third session. The Secretary-General has been requested to submit a report to the General Assembly which will also be made available to the Ad Hoc Committee of the Whole; the report is to include concrete recommendations for a speedy and full implementation of the Program.

#### 4. Special economic assistance to Central America

The Secretary-General submitted a report to the General Assembly on the situation in Central America, addressing the need to implement an emergency plan for the reconstruction and economic development of the region. The General Assembly then requested the Secretary-General to send a technical mission to the Central American countries for the purpose of determining their economic and social priorities and, in the light of these priorities, to formulate and submit to the General Assembly, before April 30, 1988, a special plan of cooperation for Central America.

#### 5. Net transfer of resources from developing to developed countries

This issue has been discussed within the United Nations since 1986 when the Economic and Social Council requested the Secretary-General to prepare a comprehensive analytical report on the subject, its impact on the economic development of developing countries, and the means to be taken to halt and reverse that process. At its second regular session

of 1987, the Council requested the Secretary-General to monitor the evolution of net transfers and other relevant matters and to report to the Council at its second regular session of 1988. At its Forty-Second session the General Assembly requested the Secretary-General, in preparing the report, to include a section on the links between the level of such transfers and the attainment of the growth target for developing countries as set forth in the Third UN Development Decade (1981-90).

#### 6. Other economic issues

The October 1987 crash of equity markets and the sharp fluctuations thereafter, generated wide interest, leading the General Assembly to express concern about their possible negative impact, and to ask the Secretary-General "to analyze in the 1988 World Economic Survey, the effects of those sharp fluctuations on growth and development, in particular developing countries."

With the (third UN) decade of the 1980s about to end, the General Assembly requested the Secretary-General, in consultation with the organs and organizations of the UN system, to provide information for the preparation and elaboration of an international development strategy for the Fourth UN Development Decade (1991-2000) and for the assessment of the strategy for the Third Decade and to report to the Assembly at its Forty-Third session, through the Economic and Social Council. The latter was asked to "consider at its second regular session of 1988, guidelines for the designation of future international decades" and the Secretary-General was invited "to submit to ECOSOC a report on guidelines for future international decades, including his recommendations."

#### IV. Operational Activities for Development

Discussions on this topic focused mostly on issues related to coordination, in which new impetus was given to coordination of the UN system's operations in the area of development by ECOSOC, by UNDP, by the UN Director-General/DIEC, and by the Resident Coordinators. The volume of external resources for operational activities was generally welcomed as satisfactory, although concern was expressed at the persistent decline in the share of ODA resources channeled through the UN system. Increasing use of food aid was termed an important aspect of operations activities that should be covered in the meetings of the World Bank's Consultative Groups and of UNDP's Round Tables.

A general theme underlying the discussion was that the UN should be increasingly concerned with economic issues and that a significant centralization, both inter-governmentally and at the level of secretariats, was needed to make the UN's role effective. The UN Director-General/DIEC is being assigned a wider-ranging role, and the ECOSOC is likely to become much more assertive with regard to priority setting and policy coordination.



In the "Report of the Secretary-General on the Work of the Organization, 1987," the Secretary-General emphasized that in dealing with global problems, the United Nations will need to be more fully integrated, and that it is of importance that tasks be rationally distributed among the organizations of the system. For this purpose he has proposed that ECOSOC "might become, in practice, a Council of Ministers for Economic and Social Affairs which would have the authority to review the medium-term plans of all organizations of the United Nations system...The Council, with an enhanced participation of the specialized agencies, could keep world economic and social developments under review and suggest modifications of programmes to meet changing circumstances and new exigencies." In addition, the Secretary-General has proposed the establishment of "a small policy planning staff for development, which would include representatives of relevant specialized agencies and organizations of the United Nations system,...(which) could consider integrated approaches to development-related problems and objectives that would take account of the capacities of the system as a whole." These proposals are still at a preliminary discussion stage.

#### V. Decolonization, Namibia, Apartheid

These subjects continued to be discussed extensively in the UN General Assembly and its Fourth Committee. A number of resolutions were passed of which some referred specifically to the IMF, of which the one (42/75) relating to the "Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples by the specialized agencies and the international institutions associated with the United Nations" is the most extensive and explicit in its expression of dissatisfaction with the IMF's relationship with South Africa. The relevant paragraphs of the resolution are reproduced below:

The General Assembly:

Gravely concerned at the continued imperialist and neo-colonialist support for South Africa's oppressive and aggressive policies in Namibia and with respect to independent states in southern Africa, in particular the front line states, as amplified by the discussions and resolutions of the Security Council.

...Deplores the financial and other collaboration and condemns the financial support from the International Monetary Fund to South Africa in disregard of repeated resolutions of the General Assembly, and calls upon the Fund to put an end to such collaboration as the Apartheid system implies a serious instability in the South African economy, including its balance of payments, and thus the International Monetary Fund according to its rules should not, as long as apartheid and the illegal occupation of Namibia by South Africa continue to exist, extend any credits to South Africa...

...Urges once again the executive boards of the World Bank and the International Monetary Fund to draw the particular attention of their governing bodies to the present resolution with a view to formulating specific programmes beneficial to the peoples of colonial Territories, particularly Namibia...

...Reiterates its proposal, under article III of the Agreement between the United Nations and the International Monetary Fund for the urgent inclusion in the agenda of the Board of Governors of the Fund an item dealing with the relationship between the Fund and South Africa, further reiterates its proposal that, in pursuance of article II of the Agreement, the relevant organs of the United Nations should participate in any meetings of the Board of Governors called by the Fund for the purpose of discussing the item, and urges the International Monetary Fund to discuss its relationship with South Africa at its annual meetings in compliance with the above mentioned Agreement and to report to the Secretary-General of the United Nations on the actions taken.

The resolution was adopted 130 in favor, 3 against, and 23 abstentions. (The respective votes on a similar resolution in the 41st session were 123, 4, and 27.)

#### VI. Reform and Financial Functioning of the United Nations

As reported to the Executive Directors (SM/86/307), the reform of the United Nations was a major theme of discussions at the fall 1986 session of the General Assembly which led to a principal resolution dealing with all main aspects of the reform. It may be recalled that the resolution incorporates recommendations to streamline and improve management procedures, including a number of austerity measures such as reductions in staff. The Secretary-General informed the Assembly of the administrative restructuring that had taken place or was in the course of being implemented, since the 1986 resolution and which had enabled him to realize a small cut in the appropriations for the 1988-89 budget. However, a major concern that clouded the deliberations was the related item on the current financial crisis being faced by the United Nations. The Organization's resources would have been inadequate to meet the December salaries of the staff but for the partial payment of US\$90 million by the United States on its arrears. The deficit for 1988 is estimated at US\$350 million, and the Secretary-General, in his report on the "Financial Emergency of the United Nations" and his presentation to the Fifth Committee, raised the prospect of the U.N. becoming insolvent in the fall of 1988. He pleaded that "the only solution to the current financial crisis of the Organization is the payment by all Member States of their assessed contributions in full and on time".

Furthering International Cooperation Regarding the External Debt Problem

The General Assembly,

Date: 11 December 1987  
Vote: 154-1-Q (recorded)

Meeting: 96  
Report: A/47/874

The General Assembly,

Reaffirming its resolution 41/707 of 8 December 1986 on strengthened international economic co-operation aimed at resolving external debt problems of developing countries.

Recalling the final Act of the seventh session of the United Nations Conference on Trade and Development, 172/

Recalling Trade and Development Board resolutions 165 (S-IX) of 11 March 1978 173/ and 272 (XXI) of 21 September 1980 174/ and the relevant recommendations of the mid-term global review of progress towards the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries, 175/

Concerned about the slowing down of the world economy in the 1980s and the persistence of large imbalances, which was noted at the meetings of the Interim Committee of the Board of Governors on the International Monetary System and the Joint Ministerial Committee of the Board of Governors of the Bank and the Fund on the Transfer of Real Resources to Developing Countries in September 1987.

Recognizing that the continuing debt problems of developing countries have become a major obstacle that restricts their economic recovery and long-term development, thereby increasing the vulnerability of the international financial system and adversely affecting the ability of debtor countries to import and creditor countries to export and thereby their growth and employment performance.

Deeply concerned at the increasing debt burden and the deteriorating debt situation of African countries, which impede the recovery and development of the continent and the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990, 176/

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172/ Proceedings of the United Nations Conference on Trade and Development, Seventh Session, Vol. I, Report and Annexes.

173/ Official Records of the General Assembly, Thirty-third Session, Supplement No. 15 (A/33/15), Vol. I, part two Annex I.

174/ Ibid., Thirty-fifth Session, Supplement No. 15 (A/35/15), Vol. II, Annex I.

175/ Resolution 40/205, Annex.

176/ Resolution S-13/2, Annex.

Noting that there has been an evolving response from the international community to the debt problem, which recognizes the shared responsibility of the *main parties concerned* (developing debtor countries, developed creditor countries, private and multilateral financial institutions).

Profoundly concerned that, despite significant efforts by developing countries to deal with the debt crisis, the desired results have not yet been achieved and therefore acknowledging the need for continued and evolving international co-operation, particularly to improve the international economic environment, in order to attain a lasting solution to the problems of indebtedness of developing countries,

Welcoming the report of the Secretary-General on the international debt situation in mid-1987, 177/

1. Endorses the policies and measures agreed upon and spelt out in chapter II.A of the Final Act of the seventh session of the United Nations Conference on Trade and Development, entitled "Resources for development, including financial and related monetary questions"; 178/
2. Expresses Concern that external debt problems can pose a threat to economic, social and political stability in indebted countries;
3. Stresses that debtor developing countries, creditor developed countries and international private and multilateral financial institutions should strengthen work on an evolving and growth and development oriented strategy, through continuous dialogue and shared responsibility, in order to attain a durable, equitable and mutually agreed solution to debt problems;
4. Reiterates that specific measures to deal with the indebtedness of developing countries should pay particular regard to the relevant factors of the debt-servicing capacity of each individual country;
5. Also reiterates that, in the present circumstances, adjustment efforts are needed on the part of all countries, collectively and individually, each country contributing to the common objective in accordance with its capacities and weight in the world economy;
6. Reiterates that it is essential for the international economic environment to be made more stable and predictable in support of growth through efforts by the major market economy countries, including strengthened multilateral surveillance, aimed at correcting existing external and fiscal imbalances, promoting non-inflationary sustainable growth, lowering real rates of interest and making exchange rates more stable and markets more accessible;

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177/ A/42/253.

178/ Proceedings of the United Nations Conference on Trade and Development, Seventh Session, Vol. I, Report and Annexes.

7. Further reiterates that it is essential for debtor developing countries to pursue and intensify their efforts to raise savings and investment, reduce inflation and improve efficiency, taking into account their own individual characteristics and the vulnerability of the poorer strata;

8. Reiterates that it is essential that external financing from official and private sources be increased on appropriate terms and conditions in support of these efforts;

9. Recognizes the competence of multilateral financial institutions and the need for providing them with the adequate resources and instruments necessary, inter alia, to strengthen their contribution to attaining a durable, equitable and mutually agreed solution to the debt problems and, in this context, takes note with interest of:

(a) The agreement on a substantial general capital increase for the World Bank;

(b) The initiative by the Managing Director of the International Monetary Fund to increase substantially the resources of the Structural Adjustment Facility;

(c) The work towards an increase of quotas in the context of the Ninth General Review of Quotas in the International Monetary Fund;

(d) The proposal to enlarge the scope of the Compensatory Financing Facility by the creation of a new external contingency facility;

(e) The ongoing examination of adjustment programmes and their supportive arrangements including a comprehensive review of conditionality in the International Monetary Fund;

10. Stresses that increased flexibility should be applied by the parties concerned in the development of innovative approaches to reduce the debt burden of developing countries, including, as appropriate, the identification of possible regulatory impediments and that measures such as the introduction of various forms of new financial instruments and of formulas that do not add to the stock of debt, including those devised by banks and debtors to take advantage of discounts prevailing in the secondary market, should be further pursued and emphasizes that banks should be encouraged to co-operate flexibly with debtor countries according to individual circumstances to achieve this end;

11. Calls on the international community to continue its efforts, in the context of official debt restructuring exercises, to take appropriate and realistic measures to reduce the burden of official debt, adapted to the specific needs and circumstances of individual countries, inter alia, so as to allow an adequate planning horizon and long-term adjustment; consideration should be given to unforeseen changes in a country's external payments;

12. Urges the international community to give serious consideration to mutually agreed ways and means of assisting debtor developing countries faced with large and bunched debts to the multilateral financial institutions, taking into account the need for increased capital flows on terms adapted to their payment situation and the specific economic circumstances of individual countries;

13. Calls upon the international community to intensify its efforts to provide the necessary resource flows to African countries, including increasing official development assistance in support of their reform efforts, and to continue its efforts to grant adequate terms of rescheduling and other effective debt relief measures, as appropriate, to alleviate the debt burden;

14. Stresses that urgent specific actions in respect of the indebtedness of the least developed and poorest developing countries are required, as contained in the relevant provisions of the Final Act of the seventh session of the United Nations Conference on Trade and Development, 179/ including substantial increases of concessional finance, essentially in grant form;

15. Recognizes that the problems of external indebtedness of some other countries with serious debt-servicing problems also give rise to concern, and invites all those involved to take into account, as appropriate, the above in addressing these problems;

16. Stresses the importance of the expansion of world trade and the promotion of a climate conducive to the strengthening of an open and liberalized trading system, including, in particular, the improvement of market access for developing countries' exports, and, in this context, stresses the importance of ensuring effective observance of standstill and rollback commitments and the importance of promoting improved commodity markets;

17. Requests the Secretary-General, in preparing the agenda for the next session of the Administrative Committee on Co-ordination, to propose that due priority be given to the consideration of the issue of the external debt crisis and development in its discussions of the international economic situation;

18. Requests the Secretary-General to consult with the relevant bodies and eminent personalities to prepare a comprehensive report on the international debt situation, reviewing also ways and means of advancing the efforts towards finding a durable, equitable and mutually agreed solution to the debt problems of developing countries in the light of the relevant provisions of the Final Act of the seventh session of the United Nations Conference on Trade and Development and of the present resolution, to be submitted to the General Assembly at its forty-third session.

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179/ Proceedings of the United Nations Conference on Trade and Development, Seventh Session, Vol. I., Report and Annexes.

RECORDED VOTE ON RESOLUTION 42/198:

In favour: Afghanistan, Albania, Algeria, Angola, Antigua and Barbuda, Argentina, Australia, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Belgium, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Burma, Burundi, Byelorussia, Cameroon, Canada, Capo Verde, Central African Republic, Chad, Chile, China, Colombia, Comoros, Congo, Costa Rica, Cote d'Ivoire, Cuba, Cyprus, Czechoslovakia, Democratic Kampuchea, Democratic Yemen, Denmark, Djibouti, Dominican Republic, Ecuador, Egypt, El Salvador, Equatorial Guinea, Ethiopia, Fiji, Finland, France, Gabon, Gambia, German Democratic Republic, Federal Republic of Germany, Ghana, Greece, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hungary, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Kuwait, Lao People's Democratic Republic, Lebanon, Lesotho, Liberia, Libya, Luxembourg, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Mauritania, Mauritius, Mexico, Mongolia, Morocco, Mozambique, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Romania, Rwanda, Saint Lucia, Saint Vincent, Samoa, Sao Tome and Principe, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, Solomon Islands, Somalia, Spain, Sri Lanka, St. Kitts and Nevis, Suriname, Swaziland, Sweden, Syria, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, USSR, United Arab Emirates, United Kingdom, United Republic of Tanzania, Uruguay, Vanuatu, Venezuela, Viet Nam, Yemen, Yugoslavia, Zaire, Zambia, Zimbabwe.

Against: United States

Abstaining: None

Absent: Belize, Dominica, Sudan 1/

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1/ Later advised the Secretariat that it had intended to vote in favour.