

UNCTAD — II

The Second UN Conference on Trade and Development (UNCTAD-II) opened on February 1 in New Delhi. The UNCTAD-I was held in Geneva in 1964 and a charter — the Algiers Charter — was adopted in October last year by a Ministerial meeting of 77 "developing" countries, i.e., countries which continue to be mercilessly exploited by a handful of imperialists.

This is the eighth year of the so-called "Development Decade" (1960-69) announced by the UN with the blessings of the US imperialists, Soviet revisionists and their lackeys, the Indian rulers. As was to be expected, the entire benefits of this "development" artifice have gone exclusively to the imperialists, most of all to the US imperialists, and their accomplice - the Soviet revisionist clique in the form of enormous increase in profits, intensification of exploitation of and domination over the so-called "developing" nations. The latter have been further weakened, and their political-military-economic dependence on the imperialists and Soviet revisionists has become alarmingly greater.

The average growth-rate of the exploited countries before the 'development decade' was 4.7% annually, and now it is 4.5%. In India the rate has gone down below the average to about 2.5%. "In the mid-1960's the developing countries have been able to buy, for a given volume of their traditional exports, one-tenth less imports than at the beginning of this period" (*Algiers Charter*, quoted in *Indian Express*, Feb. 1, 1968). The Charter estimates the loss owing to this as 250 crores of dollars annually. In other words, after the "Development Decade" began, the imperialists have forced the "developing" countries to make a free gift of 11% more goods and services. According to an estimate published in *The Economic Times*, UNCTAD Supplement Feb. 1, the index of export prices of these countries fell from 122 to 99 during 1951-66 and enabled the imperialist robbers to make a profit of 6,300 crores of dollars in 15 years on this account alone. On the other hand, the imperialist countries raised the prices of their manufactured goods. "During this time (1952-53 to 1967) there was an almost unbroken rise in the prices of manufactured goods. The terms of trade of the developing countries were thus severely affected Many of them exported much more, but gained little extra earnings from the increased quantities" ("Commodity Problems and Policies" by E.M. Ojale, Director, Commodities Division, FAO; *ibid.*)

The importance of these "developing" countries in world trade has decreased during the "Development Decade", and their share in total world exports declined from 34% in 1950 to 25.8% in 1955 and then to 20% in 1966. On the other hand, the share of the imperialist countries rose from 60% in 1950 to 68% in 1966. The rate of this increase was greater during the "Development Decade" than before it; it grew at an annual rate of 5.3% during 1955-59 and jumped to 8.8% during the first six years of the "decade". The imperialist countries increased the value of their exports by 6,500 crores of dollars during the 12 years from 1953-54 to 1965-66 and the Soviet and East European revisionist countries could increase theirs by only 300 crores. This adverse effect was reflected in the deterioration of the terms of trade for the "developing" countries, which are estimated to have deteriorated by 16% to 20% during 1951-66.

Translated into concrete reality affecting the lives of more than two-thirds of the world's population, the above facts can be summed up in a few lines:

"By and large, and year after year, the miners, the plantation workers and agriculturists of the poor countries of the southern hemisphere have been working longer and longer hours to obtain the same machinery needed for their countries' modernization" (*Indian Express*, UNCTAD-I Supplement).

By this piracy in trading, the imperialists force the "developing" countries to swallow their bait of "aid". To quote the Algiers Charter again: "This has aggravated the problem of the increasing indebtedness of developing countries. The external public debt alone has increased from 10 billion (1000 crore) dollars in 1955 to 40 billion (4,000 crore) dollars in 1966. While the debt service payments (payments of interest, etc.) averaged half a billion (50 crore) dollars annually in the mid-1950's, these have already increased to four billion (400 crore) dollars and may offset the entire transfer of resources before the end of this decade if present trends continue." Take the case of India. During the First Plan period, the average annual burden of "debt servicing" was 5 crores of dollars, which increased to 115.2 crores of dollars during the Third Plan period and is expected to rise to 305 crores during the Fourth Plan (?) period. In the second year of the "Development Decade" India could meet the "debt service" requirements by using up 10% of her export earnings, in the eighth year "debt service" mops up 22% of her export earnings.

The 'developing' nations, especially the smaller ones, which suffer most from imperialist plunder, could not be expected to endorse this open and cynical plundering by the rich imperialist countries. Some of them, naturally India was not one of them, did speak out against this state of affairs and criticized the working of the UNCTAD-II, which is manipulated by the imperialists and the revisionists. The Chilean delegate said: "It is beautiful to see the concern of developed countries for the interests of the members of their group" (*Economic Times*, 16.2.68). The Burmese delegate said: "I might be going back (from the conference) not only as a disappointed delegate, but as a more confused economist" (*Ibid*). More down to earth were delegates from smaller countries like Ecuador, Togo and Sudan, who spoke in anxious desperation. Declaring that Ecuador lived in "permanent anxiety" that its traditional markets for bananas would be closed, her delegate reported that she was "forced to dump thousands of tons of first class bananas into rivers" for want of markets. Togo and Ecuador stated that the third UN "cocoa conference" held in Geneva in December, 1967 had been a "fiasco". Sudan complained that due to sterling devaluation the price of some of her primary commodities depreciated by more than 14.3%. Malaysia complained that the price of rubber fell by 57% in the last 6 years and calculated the loss suffered by 14 "developing" countries on this account during that period at 417.2 crores of dollars. Ceylon suffered a loss of 6.7 crores of dollars owing to price fluctuations in tea, silk etc.

In violent contrast to this was the attitude of the imperialists led by the USA, who continue to control the UN and its agencies, including the UNCTAD, and of the Soviet revisionists, who have joined the US imperialists as partners in exploiting and dominating the "developing" countries. The enormous increase in their share of loot afforded by the so-called "development" farce organized by them seems only to have whetted the appetite of the US imperialists for further intensification of the exploitation of the "developing" countries. They cynically "wanted

the UNCTAD to find practical ways to attract larger flows of private resources from the industrialized countries to the task of developments (The US delegate's speech, *Indian Express*, February 6). The US delegate cynically boasted: "the nature of our own bilateral programmes is such that we have a large pipeline, large enough we hope to carry us over our present difficult years..." (*ibid*). This is an open declaration that the US imperialists are determined to solve their present financial crisis at the cost of the "developing" nations. Both the US imperialists and the Soviet revisionists exploit India and other countries through this contrivance of the so-called "bilateral programmes", which they effectively use to subjugate and dominate the "developing" countries economically, politically and militarily. The Soviet delegate in his speech declared his country's readiness to "co-operate with other countries" for "taking appropriate measures on bilateral basis" (*Indian Express*, February 8). Lauding the Indo-Soviet trade arrangements, Mr Dinesh Singh, India's Commerce Minister said: "If this sort of arrangement was possible with USSR, why not with other countries?" (*Economic Times*, January 29, 1968).

What are these "bilateral programmes" which the US imperialists boast about, Soviet revisionists shout about and Indian reactionaries laud shamelessly? At the request of the UNCTAD Secretariat, the Centre for Afro-Asian Research of the Hungarian Academy of Sciences prepared and submitted a report in which it opposed the bilateral system of assistance and suggested multilateral arrangements. In the words of George Woods, President of the World Bank, "Upto now, bilateral programmes of assistance had had as one of primary objectives helping high-income countries themselves. They have looked toward tactical support of diplomacy, toward holding military positions thought to be strategic" (*Economic Times*, February 10, 1968). Our experience in India fully corroborates this statement. The bilateral arrangements are being also used currently by the US imperialists and their Soviet accomplices as bribes to disrupt the coming together of the exploited countries in the UNCTAD-II. The famed "77" is already affected by this treacherous manipulation.

What role India is playing in this UNCTAD business? Her neo-colonial status, her all-round dependence on the US imperialists and the Soviet revisionists, her willingness to continue to serve the interests of her dictating patrons of Washington and Moscow and lastly the mortal fear of a roused people, which her rulers share with their masters, were all faithfully reflected in the Indian Prime Minister's inaugural address. It is more like a moan than a speech — the moan of a class that sees its doom approaching, the moan of India's reactionary ruling class trapped inextricably in internal crises, haunted by the specter of a people rising up in revolt, and reeling at the blows daily raining on it from the angry masses. In a most shameless manner the P. M. desperately appeals to the US imperialists and Soviet revisionists for bolstering up India's reactionary classes against the angry people. "Unless we sense this urgency and use our energy to eradicate the economic causes which make for conflict, men and women will be impelled to revolt, and to use violent means to bring about change, appeals the distressed P. M. (Sm. Gandhi's speech, *Economic Times*, Feb. 2, 1968). She is "haunted by the fear" that the "historic opportunity" presented by UNCTAD-II may "again be missed," and that the "situation is a source of anxiety." Haunted, afraid and anxious, she notes with exasperation that "growing numbers in the developing countries are beginning to look upon external capital and know-how, not as aids to their own strength and achievement of economic freedom, but as bonds which increase their dependence on dominant economies," and she immediately jumps forward to absolve these "growing numbers" of sinners of their sins — sins of daring to suspect the imperialists and

showing concern for the fate of their own countries — and proposes that "We must all plead guilty" (*Ibid*). She is fully convinced that the salvation for India and other poor nations must lie not with themselves but in the hands of the US imperialists and their Soviet accomplices, who in her estimation constitute "the international community. "The elimination of poverty and the development of impoverished regions are now widely accepted as international obligations," she asserts, and suggests that "In order to discharge them, it is imperative that the international community finds ways and means to intervene effectively..." (*Ibid*). According to Sri Dinesh Singh, UNCTAD-II's President, "a broad consensus had emerged recognizing that economic development was an international responsibility" (*Indian Express*, 23.2.68). The cringing submissiveness to foreign exploiters of our country is an expression of the Indian reactionary ruling classes readiness to subordinate India's vital interests to those of the foreign exploiters, and to conduct the affairs of the country according to the dictates of the US imperialists and Soviet revisionists. This is precisely why the US and the Soviet revisionists were so concerned about "India's progress". In the words of George Woods, "Those who believe...that India is engaged in a task of deep meaning for all the developing countries, must be gravely concerned by the uncertainties that cloud her national life" (*Economic Times*, Feb. 10, 1968). The US imperialists and the Soviet revisionists have indeed a vital common interest in India, which is to turn her into a base against China and the rising people's revolutions. To quote Woods: "India is an exceptionally dramatic case because of its size and its location on the troubled Asian continent" (*Ibid*).

The UNCTAD-II is destined to prove itself another frustrating experience for the "developing" countries and another US-Soviet joint manoeuvre to strengthen their joint domination over these countries. The Indian people will never agree with or approve Sm. Gandhi's proposals to bring India under joint US-Soviet domination. UNCTAD-II in New Delhi has only one lesson for the Indian people — to sharpen vigilance against and resolutely oppose the counter-revolutionary conspiracy of US-Soviet-Indian ruling circles against the peoples of India, China and the whole of Asia.

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